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TODAY: STYLE The Cloning of Cool, Page 11

New German Export: Jobs Head to Border

Eastern Neighbors See a Mini-Boom As Firms Flee High Costs at Home

By William Drozdiak
Washington Post Service

BERLIN — For much of the past century, the giant electronics company Siemens has taken special pride in its role as an emblem of Germany's economic prowess.

As the country's largest private employer, Siemens liked to trumpet the label "Made in Germany" as synonymous with top-quality products.

But the identity of Siemens and of Germany has changed in dramatic ways. Europe's economic powerhouse became pampered by some of the world's highest wages and shortest working hours. Confronted by fierce competition, companies such as Siemens complain that they can no longer endure the stratospheric costs of doing business in Germany and are fleeing their homeland in droves.

The exodus of flagship enterprises helps explain why the number of jobless workers in Germany has risen to 4.7 million, or 11.3 percent of the work force. At the same time, German companies have emerged as extraordinary envoys of influence by spawning hundreds of thousands of jobs in the United States, Asia and Eastern Europe, where taxes and labor costs are much lower than at home.

"One of Germany's biggest problems, and one of its greatest strengths, is that we are exporting so many jobs rather than products," Hans-Olaf Henkel, the head of the Federation of German Industry, said.

Nowhere has Germany's political and economic clout grown more quickly since its reunification in 1990

NEWS ANALYSIS

than in Poland, Hungary and the Czech Republic. Even before these countries enter NATO or the European Union, they have been embraced so ardently by their giant neighbor that they are collectively known as "Germany's backyard."

The transformation of Central Europe's economic landscape shows how forces in the private sector are shaping the Continent's destiny more than governments or alliances. For German companies, the expense of doing business at home and the attractions of some of the fast-growing European markets have spurred an eastward stampede.

"If you want to be a global player," said Erich Gerard, a senior executive for international operations at Siemens, "you have to go where the action is. These places are growing

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Strikes plague France. Page 4. • Critics assail U.K. jobs data. Page 15.

U.S. Software Barriers Make Europeans Smile

By Edmund L. Andrews
New York Times Service

BOEBLINGEN, Germany — Boris Anderer and his four partners have a message for the spymasters in America's national security establishment: Thank you very, very much.

Mr. Anderer is the managing director for marketing at Brokat Informationssysteme GmbH, a three-year-old software company here that is growing about as fast as it can hire computer programmers.

When America Online Inc. wanted to offer banking and shopping services in Europe, it turned to Brokat for the software that encodes transactions and protects them from hackers and on-line bandits. When Netscape Communications Corp. and Microsoft Corp. wanted to sell Internet software to Germany's biggest banks, they had to team up with Brokat to deliver the security guarantees that the banks demanded.

But what is most remarkable is that Brokat's rapid growth stems in large part from the Alice-in-Wonderland working of U.S. computer policy. Over the past two years, Brokat and a handful of other European companies have made a booming business out of selling powerful encryption technology around the world that the U.S. government prohibits American companies from exporting.

Mr. Anderer could not be happier. "The biggest limitation on our growth is finding enough qualified people," he said, as he strode past rooms filled with programmers dressed in T-shirts and jeans.

The company's work force has climbed to 110 from 30 in the past year, and the company wants to add 40 more by the end of the year.

"This company has grown so fast that I often don't know whether the people I see here have just started working or are just visitors," he said.

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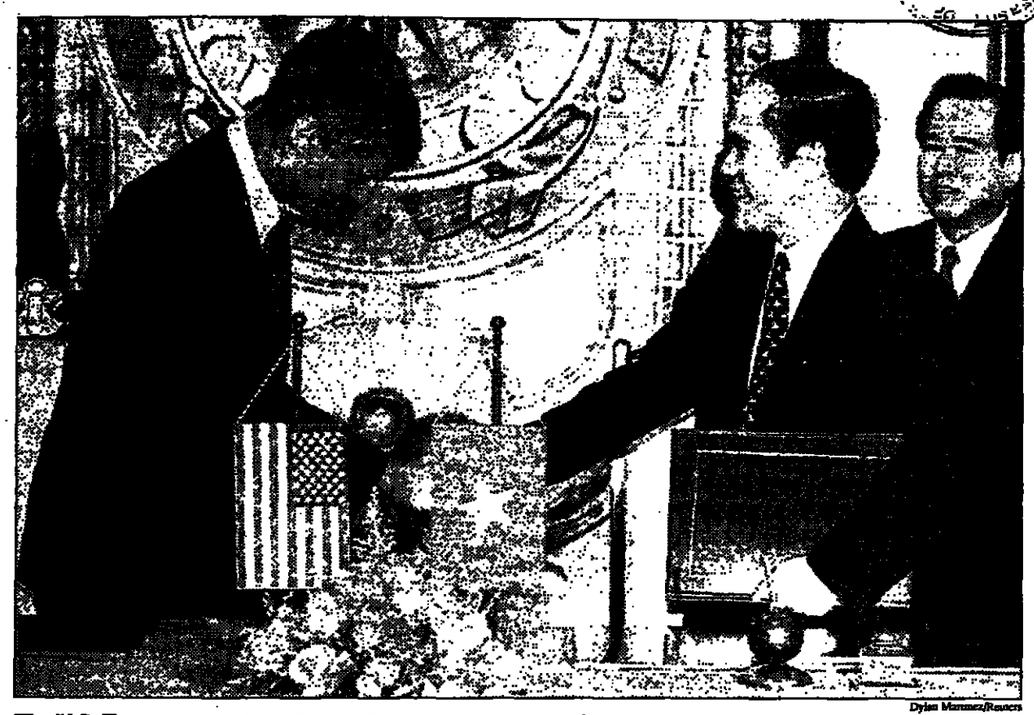

Dylan Martinez/Reuters

The U.S. Treasury secretary, Robert Rubin, left, honoring Vietnam's finance minister, Nguyen Sinh Hung, with a traditional bow Monday, after signing an agreement to reschedule $145 million of Vietnam's debt.

Rubin Warns Vietnam To Speed Up Reforms

He Calls for Liberalization of Economy

Compiled by Our Staff From Dispatches

HANOI — The U.S. Treasury secretary, Robert Rubin, warned Vietnam on Monday to speed up economic reform and improve its business climate if it wanted to woo foreign investors.

Mr. Rubin delivered the warning as he signed a pact restructuring debt that Hanoi inherited from the Saigon government after the Vietnam War. He hailed the pact, rescheduling payments on about $145 million in debt, as a significant step, but he listed areas where red tape is blocking overseas investment as Hanoi tries to move toward a market economy.

"Vietnam would make great strides in improving its economy and conditions for local and foreign investors by reducing tariffs, eliminating export licenses and simplifying government approvals," Mr. Rubin told the U.S.-Vietnam Trade Council.

Mr. Rubin, the highest-ranking U.S. economic official to visit Vietnam since the war ended in 1975, said market reforms also were the surest way for Vietnam to win trade concessions and financing from Washington.

He also called for a copyright law to protect intellectual property rights and for a reduction in "bureaucratic interference with the functioning of the private sector."

His message did not appear to be well received by Vietnamese officials. Vietnam's deputy foreign minister, Nguyen Dinh Bin, said there was a limit to what Hanoi could do alone and made clear that he felt the United States bore the main responsibility for forging closer ties.

"It would be unfair to set forth requirements beyond Vietnam's real ability and higher than those for other countries," Mr. Bin said, adding that Vietnam hoped the United States would "take more positive measures to speed up this process."

Mr. Rubin, who held separate meetings with Prime Minister Vo Van Kiet and Finance Minister Nguyen Sinh Hung, said his visit signified that the relationship between the two countries had shifted from conflict to cooperation.

The next step, he said, would be a trade agreement. But for that to happen, Vietnam must make substantial commitments to open up its markets and treat foreign companies the same as Vietnamese ones, Mr. Rubin said.

Vietnam must sign a trade deal before it can be granted preferential trade status, known as most-favored-nation status, by the United States. Mr. Rubin said he had discussed the trade status with Vietnamese officials, but had not focused on the question of when it would be granted. Negotiations are scheduled to resume next week.

Mr. Rubin said Vietnamese officials had asked if Washington was willing to make concessions such as waiving the Jackson-Vanick amendment, which blocks most-favored-nation status for communist countries that deny their citizens the right to emigrate.

The two countries moved toward broader economic ties with the signing of the debt pact, which gives Hanoi until 2019 to repay the loans.

"This agreement removes an important obstacle to closer ties between the United States and Vietnam," Mr. Rubin said. *(Reuters, AFP)*

AGENDA

Outlook for Rates Bucks Up Dollar

The dollar strengthened Monday, lifted by expectations that interest rates in the United States will continue to rise at a quicker pace than those in Europe or Japan. The dollar rose to 1.7125 Deutsche marks, up from 1.6841 DM on Friday. In the U.S. stock market, a series of corporate takeover announcements helped push up prices. The market was also encouraged by falling interest rates in the bond market. Page 13.

The Dollar

New York	Monday @ 4 P.M.	previous close
DM	1.7125	1.6841
Pound	1.6343	1.6345
Yen	125.58	124.315
FF	5.761	5.671

The Dow

	Monday close	previous close
+29.84	6555.91	6526.07

S&P 500

change	Monday @ 4 P.M.	previous close
+9.14	762.14	753.00

Times and Post Win Pulitzers

John F. Burns of The New York Times won the 1997 Pulitzer Prize for international reporting for coverage of the regime imposed on Afghanistan by the militant Taleban movement.

The award for criticism went to Tim Page, music critic for The Washington Post. Newsday won the prize for spot news reporting for its coverage of the explosion of TWA Flight 800. Page 4.

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Clinton Sees Netanyahu, Calling Talks Very Specific

President Is Cautious On Plan for Intense Peace Negotiations

By Brian Knowlton
International Herald Tribune

WASHINGTON — Cautioning that it was important not to "put form over substance," President Bill Clinton said Monday that he did not want to embrace hastily an Israeli proposal for Camp David-style talks to rescue the imperiled Middle East peace process.

At the same time, the president said that he would not rule out "any reasonable opportunity for me to make a positive contribution" to revive the process. His advisers again mentioned the possibility of sending Secretary of State Madeleine Albright on her first official mission to the Middle East.

Mr. Clinton spoke at the outset of a meeting with Prime Minister Benjamin Netanyahu of Israel, quickly arranged at a time of Israeli-Palestinian tensions.

But even before he went to the White House, Mr. Netanyahu, in a meeting Monday with American supporters of Israel, said that there would be no change in the policy of building new settlements in areas claimed by Palestinians, nor any concessions in the face of violence.

Mr. Clinton said later that he and Mr. Netanyahu had a "very specific, frank, candid and long talk" but that he could say no more until he had spoken with the Palestinians.

"And now we're going to talk to the Palestinians and see whether there's something we can do to get this thing going again," the president said at the end of a two-hour meeting with the prime minister.

Palestinians and other Arabs have bitterly criticized Israeli construction in East Jerusalem and Israelis are outraged by violence that has followed that construction.

Violence continued Monday on the West Bank. Two Palestinians were wounded when a Jewish settler in Ramallah fired on them after his van was stoned.

Arab spokesmen have said that concessions are needed from Israel if the troubled peace process is to be revived. But Mr. Clinton indicated that he would not seek concessions so long as the Palestinian leadership failed to curb violence.

"It shouldn't be ever seen as a bargain to be free from terrorism," he said. "No one should ever have to bargain to be free from terrorism."

U.S. diplomats have undertaken intensive efforts to get the peace talks back on track. But asked about a Camp David-style approach of intensive talks between the parties in a secluded setting, Mr. Clinton replied Monday: "I think it's important not to jump the gun on that. The first thing we have to do is get the process going again."

Under heavy pressure from both sides, the president showed a preference for small steps rather than large ones.

"We have to have the conditions and understandings necessary to go forward," he said. "The important thing is to create the environment in which the steps can be taken."

King Hussein of Jordan is believed to have advised the Clinton administration to avoid a move as dramatic as sponsoring Camp David-style negotiations until the groundwork has been carefully laid. Mr. Netanyahu discussed the views

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Hanbo Chief Says Campaign Donations Were Legal

Failed Company's Founder Gives Testimony From a Seoul Jail

Compiled by Our Staff From Dispatches

SEOUL — The founder of South Korea's Hanbo group of companies, in testimony broadcast live from a Seoul jail, told a parliamentary inquiry Monday that he had contributed money to President Kim Young Sam's election campaign.

But the founder, Chung Tae Soo, denied having made personal payments to Mr. Kim and said his campaign contributions were within the law. He denied paying any lawmakers in return for favors.

Mr. Chung and nine others, including three of Mr. Kim's close associates in the New Korea Party, are on trial for bribery in connection with the failure of Hanbo Steel & General Construction Co. under debts of $5.8 billion.

Prosecutors allege that Mr. Chung siphoned off millions of dollars from bank loans and used the money to buy influence with politicians and bankers to secure yet more loans.

Mr. Chung said he believed company executives had given money as "political funds" to three key lawmakers, one each from the ruling party and two opposition parties.

"But I cannot recall details," he said.

He denied the existence of a list of beneficiaries of such money, contradicting what prosecution authorities said at parliamentary hearings last week.

Public attention was riveted on the hearing after media reports that Mr. Chung would reveal a list of politicians who had received money from Hanbo. Local newspapers have published a list of 16 lawmakers who allegedly took money from Hanbo.

All 16 have denied the allegations, but investigators said legal action would be taken against them if they were found to have taken the money from Hanbo in return for favors.

Political 'gifts' common in Asia make the Clinton campaign-finance scandal look paltry. Page 6.

The company had been a corporate high-flyer in Mr. Kim's administration. But the collapse of its steelmaking flagship in January uncovered a web of corruption that rocked the economy and devastated Mr. Kim's image.

Mr. Chung said he had given as much as 1 billion won ($1.1 million) to Mr. Kim's party, some of it to help finance the 1992 presidential election. But he said the contributions had been legitimate.

Wearing light blue prison garb, Mr. Chung admitted having asked Mr. Kim's close associate, Hong In Gil,

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Yun Suk Bong/Reuters

Chung Tae Soo, founder of the Hanbo group, preparing to testify at the hearing Monday.

Defying Threat, Denmark To Press China on Rights

Compiled by Our Staff From Dispatches

NOORDWIJK, Netherlands — Denmark vowed Monday to press ahead with a United Nations resolution criticizing China's human rights record, defying Beijing's warning that the move would severely damage ties.

Assured of the backing of the United States and a majority of European Union states, Foreign Minister Niels Helveg Petersen of Denmark said his country would propose the resolution, which is to be presented this week at the UN Human Rights Commission in Geneva.

Every year since the 1989 military crackdown on democracy protests in Tiananmen Square, the European Union has put a motion condemning China's human rights record before the UN Human Rights Commission.

This year, France decided to veto the resolution and broke the 15-nation EU consensus on a common foreign policy. Then Denmark announced over the weekend that it would sponsor the motion.

Human rights groups accuse France of having changed its stance to win a major Airbus contract when President Jacques Chirac of France visits Beijing next month.

French officials say there has been some evolution in China's human rights performance that could justify a less confrontational approach.

Germany, Spain and Italy have since adopted a similar attitude, diplomats said.

"It is more important to achieve specific progress than to agree on resolutions which have no success," said Foreign Minister Klaus Kinkel of Germany.

The sensitive issue of human rights in China was debated by EU foreign ministers during a two-day meeting in the Dutch coastal town of Noordwijk.

"I can say that relations between China and Denmark will be seriously damaged politically and economically if Denmark really insists on this resolution," Shen Guofang, a Foreign Ministry spokesman, said in Beijing.

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Newsstand Prices

Bahrain	1.000 Din	Malta	55 c.
Cyprus	C. £ 1.00	Nigeria	125.00 Naira
Denmark	14.00 D.Kr.	Oman	1.250 Rials
Finland	12.00 F.M.	Qatar	10.00 Riels
Gibraltar	£ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	£ 0.90	Saudi Arabia	10.00 R
Egypt	£E 5.50	S. Africa	R12 + VAT
Jordan	1.250 JD	U.A.E.	10.00 Dirh
Kenya	K. SH. 160	U.S. Mil. (Eur.)	$ 1.20
Kuwait	600 Fils	Zimbabwe	Zim.$30.00

Costly Failure for Shuttle and Science

Compiled by Our Staff From Dispatches

HOUSTON — Astronauts scrambled Monday to finish as many experiments as they could before getting ready to return to Earth 12 days early because of problems with a power generator on the space shuttle Columbia.

It was the potential for an explosion in the generator that forced space agency officials to cut short the planned 16-day science mission and to prepare instead for a quick flight home Tuesday.

The decision to abort the 83d shuttle flight was a crushing disappointment to scores of scientists and engineers who began planning a complex series of microgravity experiments more than three years ago. Only a handful of the 33 planned experiments could be undertaken on a mission that cost about $500 million.

Scientists who spent more than three years coordinating the mission hoped to get through a few of the tests before the seven astronauts were to close the shuttle's laboratory.

The crew was supposed to study fire, metals, crystals and plants during the flight, but the National Aeronautics and Space Administration canceled those plans Sunday because the voltage in one of three electricity-producing fuel cells continued to drop. The potentially explosive unit had to be turned off.

The crew has been living in near-darkness and working with flashlights since the troublesome generator was

See SHUTTLE, Page 4

A Washington Monument / **Jack Kent Cooke**

The High-Flying Career Of a Wheeler-Dealer

By Bart Barnes
Washington Post Service

WASHINGTON — He was a high school dropout who began his business career by selling encyclopedias door-to-door during the Depression of the 1930s.

But before he was done, Jack Kent Cooke was a titan of business and professional sports, amassing a fortune in communications and real estate and owning teams from coast to coast — notably his beloved Washington Redskins.

Mr. Cooke, who was 84 when he died Sunday, was a financial wizard who rose to the highest brackets of wealth, with holdings estimated in recent years at $700 million to $1.2 billion. Those included cable television systems, newspapers, the leasehold to the Chrysler Building in Manhattan, extensive holdings in stocks and bonds, and a thoroughbred racehorse stable and breeding farm in Kentucky. In Los Angeles, he owned the Lakers basketball team and the Kings hockey team, which he sold in 1979.

As the hands-on owner of the Redskins, Mr. Cooke presided over a team that won the National Football League's Super Bowl after the 1982, 1987 and 1991 seasons. He came East from California in 1979 and took operating control of the football team soon after. One of his early moves was to hire Joe Gibbs, who coached the Redskins to the three championships, as well as a loss in a fourth Super Bowl.

More recently, Mr. Cooke had been a high-profile figure on the Washington political landscape in his highly publicized and controversial seven-year quest to build a 78,600-seat stadium for the Redskins. After extensive negotiations with local officials in the District of Columbia, Alexandria, Virginia, and Anne Arundel and Prince George's counties in Maryland, and with the governors of Maryland and Virginia, he finally reached an agreement to build Jack Kent Cooke Stadium in Prince George's.

It was once said that Mr. Cooke could "sell stoves at a shipwreck." He was a master wheeler-dealer, and, more than anything else, he loved to win. To an author who once sought an interview for a book on the world's five greatest salesmen, he replied indignantly, "Sir, *I am* not one of five anything!" He was a man of limitless energy who rarely took vacations or days off, and he often said of himself, "The harder I work, the luckier I get."

He was pompous, overbearing, rude, impatient and arrogant, but he also could be charming and courtly. He was engaging in conversation, self-educated and widely knowledgeable in fields as diverse as architecture, music, sports, literature and politics. His English was precise, and he often corrected others' grammatical errors. He read voraciously — newspapers, magazines, novels, poetry, biographies, even the Unabridged Oxford English Dictionary. He was married five times to four different women. At times, he called women "pets" and men and women "darlings."

Mr. Cooke, who once smoked up to five packs of cigarettes a day, was diagnosed with arteriosclerotic heart disease in the 1970s. He had frequent angina that was treated with medication. "Never bothersome," he once said of the pain, "and I wouldn't admit it even if it were."

Although grieved by turmoil in his marital life, Mr. Cooke often enjoyed a life of caviar and champagne.

One evening in the early 1980s found him in Manhattan with his second wife, Jeanne; dining at the Waldorf-Astoria Hotel, where he stayed in the hotel's private towers wing; attending a Broadway play ("Woman of the Year"); then dancing in the Rainbow Room, 65 floors atop the RCA (now General Electric) Building; gazing at the Chrysler Building. His dining companions over the years ranged from TV stars to government heavyweights.

AT KENT FARMS, his 640-acre estate in Middleburg, in Virginia's hunt country, Mr. Cooke presided over his business empire, Jack Kent Cooke Inc., while living the life of a gentleman farmer. At a moment's notice, his stable attendant could saddle up his Tennessee walking horses should he be in the mood for a ride. Two pilots saw to it that his private jet was ready for takeoff.

Claustrophobic all his life, he detested air travel and riding in elevators. "When I fly to the West Coast in a private plane, I can fly for two and a half hours or so, so my trips are punctuated by a stop in a little town called Salina, Kansas," he said in a 1988 interview. As for elevators, he said he survived by gritting teeth and clenching fists.

In his later years, Mr. Cooke looked like an aging Shakespearean actor, and he customarily dressed in expensive tweed jackets and gray flannel trousers, often sporting kangaroo leather boots. At Kent Farms, he worked behind an 18th-century Chippendale partner's desk, near a boardroom decorated at times with framed tributes from current and former employees. "An honest and compassionate man," wrote Kareem Abdul-Jabbar, the former Lakers center. "Long live the king," wrote Joe Gibbs, the former Redskins coach.

Nancy Andrews/The Washington Post

Jack Kent Cooke amassed a fortune in communications, real estate and sports.

A half-mile from his office, Mr. Cooke lived in a stucco and glass house that a Washington Post writer, Bill Brubaker, once described as "post-Renaissance Malibu with its Bonnard art, Georgian silver, electric beds and all-weather sun room." His household staff had standing instructions to be "extremely polite" when answering the telephone because "Mr. Cooke has many distinguished citizens of the country calling him," Mr. Brubaker noted in a 1988 profile. At various times, Mr. Cooke also had apartments in the District of Columbia — one at the Watergate — and he lived in recent years in a $2 million house in Woodley Park.

Mr. Cooke acquired the Redskins in stages over 25 years, beginning in November 1960 with the purchase of a 25 percent stake for $350,000. Only two months earlier, Mr. Cooke, a native of Canada, had become a U.S. citizen by a special act of Congress, which passed a private law granting him U.S. residency retroactive to 1950, thus complying with a requirement for U.S. citizenship. The legislation was sponsored by Representative Francis Walter, Democrat of Pennsylvania, who told the House Judiciary Committee that Mr. Cooke was ready to give up his "wealth, status and social position" in Canada "to build a new future for himself and his family in the United States of America."

After the death in 1969 of the Redskins' founder, George Preston Marshall, Mr. Cooke acquired more shares in the franchise. By 1979, he owned 85 percent of the team, when he moved to northern Virginia, and shortly thereafter he took operating control from the Washington lawyer Edward Bennett Williams, who had been chief operating officer. In February 1985, he became sole owner when he bought the last block of outstanding stock from Mr. Williams.

HIS TOTAL investment in the franchise was believed to have been about $15 million, less than 10 percent of what he could have reasonably expected to get had he put the team up for sale. But the Redskins were more than a business matter, he always insisted. He called them "the greatest hobby a man could have."

At Mr. Cooke's expense, hundreds of the Washington area's politically, socially and financially powerful and well-connected traveled by chartered jet to the Redskins' Super Bowls. A request to join him in the owner's box at Robert F. Kennedy Memorial Stadium for a Redskins home game was among the most coveted invitations in the nation's capital.

On a given game day, Mr. Cooke's guest list might include the governor of Maryland or Virginia, the mayor of Washington, leading members of Congress, the director of a federal agency or a cabinet member, judges and influential figures of television and the press. Mr. Cooke, a Republican, counted high-profile Democrats and Republicans among his friends.

To clear his postgame passage through traffic-clogged streets around the stadium, the District of Columbia government routinely provided a motorcycle police officer to escort his chauffeur-driven limousine.

No. 2 City Is Near Fall; Clash Erupts In Kinshasa

By Howard W. French
New York Times Service

KINSHASA, Zaire — In perhaps the most drastic setback for the Zairian government in a calamitous six-month civil war, troops in the country's second-largest city laid down their arms Monday and declared common cause with rebels advancing on the city's outskirts.

With rebels of the Alliance of Democratic Forces for the Liberation of the Congo (Zaire) reported to be less than 30 kilometers to the west of Lubumbashi, deserting soldiers of the 21st Brigade donned white scarves in a sign of peace and declared that they would fight any government forces who attempted to stop the rebels.

With the rebels nearing the city's gates, reports reaching Kinshasa from Lubumbashi late Monday spoke of thousands of citizens turning out in the streets of the southern mining capital to hail the leader of the rebellion, Laurent Kabila.

Lubumbashi is the capital of Shaba Province, and home of the copper and cobalt industries that have been the historical mainstays of Zaire's economy.

While Lubumbashi was tilting into rebel hands without a fight from government forces, the streets of the capital, Kinshasa, were the scene of running confrontations between units of the army that still loyal to Zaire's longtime dictator, Mobutu Sese Seko, and thousands of students.

In scenes reminiscent of the 1989 Tiananmen Square protests in Beijing, hundreds of students surrounded armored personnel carriers of Marshal Mobutu's Presidential Guard, immobilizing the vehicles as they slapped their metal sides with bare hands and harangued the soldiers to help them sweep Marshal Mobutu from power.

Many of the soldiers appeared to sympathize with the students.

In other parts of the city, however, units of the Civil Guard and Gendarmerie chased carloads of students back and forth in their armored vehicles in a vigorous cat-and-mouse game.

Throughout Zaire's six-month crisis, the students have been the most vocal backers of Marshal Mobutu's longest-standing civilian opponent, Etienne Tshisekedi, who was named prime minister last week.

Mr. Tshisekedi set off a political crisis in the capital shortly after his nomination when he named a government that excluded Marshal Mobutu's allies from any posts and sought to dismiss the ineffectual legislature.

Marshal Mobutu's allies and even some of Mr. Tshisekedi's parliamentary supporters had planned to meet Monday to vote to remove the new prime minister. But late Sunday, Mr. Tshisekedi, who is deeply popular in the capital, called upon his supporters to bar access to the People's Palace, or Parliament building, effectively preventing his opponents from meeting there.

Gathering early Monday morning, and moving about in requisitioned public transportation, thousands of Mr. Tshisekedi's supporters did just that. Burning tires and erecting barricades in the street, they showed little fear of Marshal Mobutu's soldiers, even after scattered incidents of gunfire.

Mr. Tshisekedi's aides have already announced that the new prime minister will take office Wednesday, when he plans a march on the government headquarters.

By capturing the diamond-mining center and fourth-largest city, Mbuji-Mayi, late last week, and Lubumbashi imminently, Mr. Kabila, 56, suddenly controls virtually all of Zaire's readily exploitable wealth.

The rebel leader has already met with representatives of De Beers, the South African company that controls the global diamond market. And he flew into Mbuji-Mayi on Monday and announced reforms he said would end the notorious corruption in Zaire's diamond business.

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U.S. May Lift Ban on Latin Arms Sales

By Calvin Sims
New York Times Service

LIMA — The Clinton administration's decision last week to allow Lockheed Martin Corp. to submit a technical bid for sales of F-16 fighter planes to Chile is being widely viewed as the end of a U.S. ban on high-technology arms sales to Latin America.

While administration officials say that President Bill Clinton has not yet approved any sale of fighter planes to Chile, they acknowledge that permitting Lockheed to discuss technical and pricing information on the F-16 with the Chilean government gives a strong indication that the United States is on the verge of relaxing the ban.

"It is very rare for the government to release this data and then not allow the sale to go through," said an administration official. "The final decision is still under review, but we wanted to allow American companies to submit bids to Chile before its March 31 deadline."

In Santiago, General Fernando Rojas Vender, head of the Chilean Air Force, expressed joy that the United States had allowed American weapons makers to take part in the bidding, saying Lockheed's technical bid on the F-16 was "a very important step forward."

Chile, which is seeking to buy at least 20 advanced fighter planes, has said that it was interested in Lockheed's F-16 but that it was also considering buying planes from other countries that have no restrictions, including Swedish JAS-39 Gripen and French Mirage 2000-5 fighters.

Even Argentina, which has opposed lifting the U.S. weapons ban for fear of a regional arms race, has shifted its position, apparently conceding that U.S. arms sales to Latin America were inevitable.

A spokesman for Argentina's Foreign Ministry said that while his government was still strongly opposed to a regional arms buildup, it was not concerned whether the United States removed or maintained the ban, especially since Argentina has no conflicts with its neighbors.

Military analysts said that Argentina initially opposed relaxing the U.S. ban as it could not afford to buy the advanced weapons because of sharp budget cutbacks.

Argentina's military spending has declined 75 percent in the last 10 years after the country's return to democracy from military dictatorship.

Meanwhile, Chile, which has the strongest economy in Latin America, has increased its military budget, which by law receives a substantial percentage of the country's revenue from copper.

The analysts have said that the sale of F-16s would change the balance of air power in South America in favor of Chile, which would have technology far superior to Argentina's, unless the Argentines also came up with the money to buy F-16s.

"This is about military prestige," said Wendy Hunter, a professor of political science at Vanderbilt University. "Argentina doesn't think that if the Chileans get new F-16s that they will come charging over the Andean ice field and attack them. Argentina is embarrassed because by comparison it has very little money to spend on new weapons and believes that without superior firepower, it doesn't have prestige."

While Argentina, a close U.S. ally, is publicly saying that it is no longer concerned about the possible lifting of the American arms ban, government officials from both countries confirmed that Argentina was still lobbying the Clinton administration not to allow the sale to Chile, or at the very least to permit the sale of less-advanced F-16s.

Indeed, some Chilean military officials have said that they were worried that in its final decision, the United States would not sell Chile the latest generation of F-16s, a move the Chilean military officials said could force them to take their business elsewhere.

Administration officials said that the decision to allow Lockheed to bid for Chile's fighter planes was due mainly to pressure by U.S. weapons contractors who said that the arms ban was preventing them from competing in a potentially lucrative market that was open to foreign competitors.

The American weapons contractors cite Peru's recent purchase of a dozen Russian MiG-29s at a cost estimated at $350 million — business the weapons contractors say is needed to preserve jobs in the United States.

But critics of relaxing the U.S. arms ban say that democracy is still very fragile in Latin America and that many countries do not have full civilian control over their armed forces and thus are ill-equipped to regulate the new military technology.

TRAVEL UPDATE

Italy Faces Wave of Strikes

ROME (Reuters) — Air traffic controllers went on strike at 11 Italian airports Monday at the start of what are set to be two chaotic weeks of stoppages by transport workers involved in contract disputes.

The eight-hour strike at Bari, Bologna, Cagliari, Catania, Genoa, Milan's Malpensa, Naples, Bergamo, Palermo, Trieste and Turin had little effect on traffic because it was called by smaller unions. But big delays were expected as a result of another eight-hour air-traffic controllers' strike Wednesday, called by six main labor organizations.

National stoppages by bus, trolley and subway drivers were set for Thursday, followed next Monday by a four-day strike by gasoline station attendants. Another strike by air traffic controllers is planned in Milan for April 18, and a four-day sea transport strike is to start April 19.

Frankfurt Terminal Reopens

FRANKFURT (AP) — Frankfurt international airport reopened one section of a passenger terminal early Monday after hundreds of travelers were evacuated because of smoke. One woman was treated for smoke inhalation. There were no flight delays.

Most of Section B in the main Terminal 1 filled with smoke at about 7:30 P.M. The fire brigade said it suspected that dust built up in an air-conditioner ventilation shaft had begun to smolder.

Delta Air Lines' flights to Paris from Atlanta, New York and Cincinnati began using Charles de Gaulle airport Monday instead of Orly airport. Delta said the change would provide better access to international connections. *(AP)*

A fire killed a crew member aboard the Cunard cruise ship Vistafjord after breaking out in a linen closet as the liner was bound for the island of Madeira from Fort Lauderdale, Florida. The ship was diverted to Freeport, Bahamas, where it was expected to remain for two days. *(Reuters)*

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WEATHER

Europe

	Today High	Today Low	Today W	Tomorrow High	Tomorrow Low	Tomorrow W
	C/F	C/F		C/F	C/F	
Algarve	18/64	14/57	r	18/64	13/55	sh
Amsterdam	14/57	7/44	pc	17/62	8/46	pc
Antibes	2/35	-6/22	sn	1/34	-12/11	sn
Athens	9/48	2/35	pc	5/48	-1/31	s
Barcelona	10/50	6/43	c	11/52	7/44	pc
Belgrade	6/43	-8/22	pc	7/44	-1/31	pc
Berlin	8/46	3/37	c	13/55	6/43	c
Brussels	15/59	7/44	s	17/62	9/48	c
Budapest	6/43	-6/22	s	8/46	2/35	pc
Copenhagen	5/41	4/39	sn	11/52	4/39	c
Costa Del Sol	19/66	14/57	r	19/64	13/55	sh
Dublin	14/57	7/44	pc	13/55	6/43	pc
Edinburgh	14/57	6/43	c	12/53	7/44	pc
Florence	11/52	0/32	s	15/59	6/43	s
Frankfurt	10/50	2/35	c	16/61	7/44	s
Geneva	14/57	4/39	pc	17/62	6/43	pc
Helsinki	-2/29	-10/15	pc	0/32	-3/26	sf
Istanbul	2/35	-1/31	sn	3/35	-7/20	sn
Kiev	3/37	-7/20	c	1/34	-5/18	pc
Las Palmas	22/72	15/59	s	21/70	16/61	s
Lisbon	19/66	14/57	sh	18/61	14/57	sh
London	17/62	5/41	pc	15/61	10/50	c
Madrid	15/59	7/44	sh	13/55	7/44	sh
Mallorca	9/48	7/44	c	8/46	8/46	pc
Milan	14/57	4/39	s	19/66	8/46	pc
Moscow	-1/31	-9/22	c	-1/31	-9/16	c
Munich	7/44	-1/31	pc	13/55	3/37	pc
Nice	12/53	5/41	s	15/59	8/46	s
Oslo	6/43	5/43	sn	8/46	2/35	sh
Paris	16/61	7/44	s	17/62	8/46	pc
Prague	6/43	-2/29	pc	11/52	3/37	c
Reykjavik	2/35	-1/31	sn	7/44	2/41	sh
Riga	0/32	-9/15	pc	3/37	0/32	pc
Rome	9/48	-1/31	s	13/55	4/39	s
St. Petersburg	-3/27	-9/16	pc	-1/31	-4/25	pc
Stockholm	-1/31	-4/25	s	4/39	1/34	sn
Strasbourg	13/55	4/39	pc	17/62	7/44	pc
Tallinn	-2/29	-9/16	pc	1/34	-1/31	sf
Tbilisi	15/59	5/41	pc	9/48	0/32	r
Venice	10/50	2/35	s	14/57	7/44	ps
Vienna	8/46	-2/29	pc	11/52	4/39	pc
Warsaw	2/35	-7/20	pc	5/41	1/34	pc
Zurich	12/53	4/39	pc	16/61	6/43	pc

Middle East

Abu Dhabi	32/89	20/68	pc	33/91	20/68	s
Beirut	15/59	6/43	sh	11/52	3/37	pc
Cairo	25/77	8/46	s	19/66	6/43	s
Damascus	17/62	2/35	s	10/50	-3/27	pc
Jerusalem	17/62	3/37	s	10/50	-1/31	pc
Luxor	34/93	11/52	s	34/93	8/46	s
Riyadh	39/91	18/64	s	34/93	16/64	s

Forecast for Wednesday through Friday, as provided by AccuWeather.

North America
The major East Coast cities of the United States will be dry and cool Wednesday through Friday. Cold air will remain entrenched across New England and southeastern Canada, where there will be some snow showers. Cold, snowy weather will be found in the northern Rockies.

Europe
Much of the United Kingdom, France and northern Spain will be dry with above-normal warmth Wednesday through Friday. Unsettled weather will prevail from Scandinavia to the Caspian Sea, especially from the Ukraine to Turkey where it will be cold with some snow.

Asia
Dry, seasonable weather will be the rule across much of eastern China, including Shanghai, Wednesday through Friday. There could be a shower any day in Hong Kong, but significant rain is not expected. Much of Japan will be blustery and chilly with a few showers possible in Tokyo.

North America

	Today High	Today Low	Today W	Tomorrow High	Tomorrow Low	Tomorrow W
	C/F	C/F		C/F	C/F	
Anchorage	7/44	-1/31	pc	8/46	3/35	pc
Atlanta	21/70	9/48	pc	20/68	8/43	pc
Boston	11/52	0/32	s	8/43	-2/29	pc
Chicago	4/39	-5/22	pc	3/37	-5/24	pc
Dallas	18/64	10/50	t	14/57	8/46	sh
Denver	10/50	-2/29	pc	8/46	-1/31	r
Detroit	6/43	-4/25	pc	4/39	-5/24	pc
Honolulu	27/80	19/66	pc	27/80	19/66	pc
Houston	21/70	14/57	sh	21/70	14/57	sh
Los Angeles	19/66	11/52	pc	20/68	11/52	pc
Miami	29/84	21/70	pc	29/82	20/68	pc
Minneapolis	-3/27	-10/18	pc	2/35	-7/20	pc
Montreal	-2/29	-1/47	pc	-4/25	-12/11	pc
Nassau	27/80	20/68	pc	28/82	19/66	pc
New York	12/53	3/37	s	8/46	1/34	c
Orlando	29/79	18/61	s	29/79	14/57	ps
Phoenix	27/80	14/57	s	28/79	14/57	ps
San Fran.	18/64	10/50	pc	16/68	7/44	ps
Seattle	11/52	3/37	sh	11/52	3/37	c
Toronto	-2/29	-7/20	pc	-2/27	-12/11	pc
Vancouver	11/52	4/39	sh	9/48	-4/25	sh
Washington	14/57	3/37	s	11/52	1/34	pc

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hce, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

Asia

	Today High	Today Low	Today W	Tomorrow High	Tomorrow Low	Tomorrow W
	C/F	C/F		C/F	C/F	
Almaty	18/64	6/43	sh	19/66	4/39	pc
Bali	32/89	23/73	pc	32/89	21/70	pc
Bangkok	31/88	24/75	t	31/88	24/75	t
Beijing	19/61	0/32	s	14/57	0/32	s
Bombay	32/89	26/79	c	32/89	26/79	c
Calcutta	32/89	19/66	s	32/89	21/70	pc
Chiang Mai	32/89	23/73	t	31/88	23/73	t
Colombo	29/84	23/73	pc	29/84	23/73	s
Hanoi	23/52	21/70	pc	27/80	22/71	pc
Ho Chi Minh	34/93	23/73	pc	34/93	23/73	pc
Hong Kong	25/77	21/70	pc	25/77	21/70	pc
Islamabad	28/82	13/55	pc	32/89	15/61	s
Jakarta	33/84	23/73	t	29/84	23/73	t
Karachi	34/93	23/73	s	35/95	21/70	s
K. Lumpur	32/89	23/73	r	32/89	22/71	ps
K. Kinabalu	32/89	21/70	pc	29/84	21/70	pc
Manila	33/91	23/73	pc	33/89	21/70	ps
New Delhi	39/97	18/64	s	39/97	17/62	s
Phnom Penh	32/89	27/79	sh	33/91	23/73	t
Phuket	31/88	24/75	t	31/88	24/75	t
Rangoon	31/88	24/75	t	31/88	23/73	t
Seoul	14/57	-2/29	s	13/55	-1/31	s
Shanghai	21/70	6/43	r	13/55	9/48	s
Singapore	32/89	23/73	pc	31/88	23/73	pc
Taipei	28/82	20/68	s	28/77	19/66	t
Tokyo	16/64	9/48	s	19/66	11/52	sh
Vientiane	27/80	23/73	pc	27/80	23/73	pc

Africa

Algiers	20/68	11/52	c	14/57	9/48	r
Cape Town	20/68	13/55	c	23/73	12/53	s
Casablanca	17/62	12/53	r	19/66	12/53	s
Harare	28/82	12/53	pc	30/86	13/55	pc
Lagos	31/88	23/73	pc	31/88	24/75	pc
Nairobi	28/79	15/59	t	29/79	15/61	r
Tunis	14/57	3/37	c	14/61	8/46	s

Latin America

Buenos Aires	28/79	14/57	pc	27/80	15/61	c
Caracas	27/80	20/68	t	29/84	20/68	pc
Lima	32/89	20/68	pc	27/80	20/68	pc
Mexico City	24/75	9/48	pc	24/75	9/48	pc
Rio de Janeiro	22/71	19/66	pc	21/70	19/66	pc
Santiago	29/84	8/46	s	28/82	10/50	s

Oceania

Auckland	23/73	16/61	t	21/70	15/59	t
Sydney	19/66	11/52	s	21/70	12/53	s

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THE AMERICAS

The Power of Hidden Prosecutors

Reno Relies on Career Lawyers in Campaign-Finance Inquiry

By Pierre Thomas
Washington Post Service

WASHINGTON — Once, sometimes twice a week, Attorney General Janet Reno picks up the telephone and calls a veteran Justice Department lawyer named Mark Richard for an update on the investigation of questionable campaign contributions to the Democratic Party.

During the conversations, Ms. Reno invariably pops the question: Do you have evidence that would trigger the independent counsel statute? To date, the answer has been no.

Ms. Reno has confidently accepted the conclusions of Mr. Richard and the career department attorneys heading the high-profile election inquiry, despite intensifying pressure from congressional Republicans and even some Democrats to do otherwise.

She will have to make another decision by Friday, when she must respond to a request by Republicans on the House and Senate judiciary committees that she seek court appointment of an independent counsel to investigate campaign finance practices.

Ms. Reno's deference to the judgment of career lawyers such as Mr. Richard on such a critical matter offers insight into how she handles divisive criminal investigations with high-stakes political implications. It also illustrates the extraordinary power and influence of a few longtime Justice Department attorneys, all largely unknown to the public.

Since the allegations about questionable Democratic contributions and fund-raising efforts first surfaced near the end of the presidential campaign last year, Ms. Reno has tried to underscore the role of her department's career prosecutors. The message she has tried to accentuate is that the career lawyers, not political appointees, are playing the most critical roles in the investigation.

Indeed, last November, when the Justice Department was required to respond to calls for an independent counsel from the watchdog group Common Cause, it was Mr. Richard, not Ms. Reno, who wrote the reply.

"The Department's record over the years demonstrates that career prosecutors are capable of conducting thorough and fair investigations and prosecutions, even of politically powerful members of the incumbent party," wrote Mr. Richard, a 29-year member of the department who is deputy assistant attorney general for the criminal division. "As the criminal division reviews your allegations in depth, we will continue to consider whether invocation of this clause is appropriate." He was referring to the independent counsel clause.

Ms. Reno has justified her reliance on the career prosecutors based on the breadth of their experience and tradition. Senior Justice Department officials point out that on the four occasions when Ms. Reno has recommended the appointment of an independent counsel to investigate high administration officials, her decisions were based in part on the recommendations of career Justice Department lawyers or the FBI or both.

In cases in which the career lawyers were less certain that an independent counsel was necessary, Ms. Reno opted for investigations overseen by outside prosecutors.

Joining Mr. Richard in overseeing a Justice Department task force is Lee Radek, the head of the criminal division's Public Integrity Section, which investigates allegations of corruption by public officials.

Working under Mr. Radek and providing specialized legal expertise to the task force is Craig Donsanto, director of the Public Integrity Section's election crime branch and considered the Justice Department's guru on election law issues.

While Ms. Reno has staked her reputation on the work of these faceless people, she fully understands the implications of their deliberations, sources said.

You Can Run, but You Can't Hide a Gun

By Fox Butterfield
New York Times Service

NEW YORK — U.S. law-enforcement authorities have begun installing a new generation of sophisticated security devices that are expected to lead quickly to technology that will let police officers spot people on the street carrying concealed guns.

Justice Department officials are encouraged by the speed with which the new technology is moving from the planning stage into use. The first fruits of the research are highly sensitive weapons detectors being installed for final testing at a federal courthouse in Los Angeles and at a prison in North Carolina.

But the device for which officials hold the most hope is one that would use a camera employing electromagnetism to enable the police to detect a weapon hidden under someone's clothing from 30 to 60 feet away (9 to 18 meters).

A version of that might be ready to test in 18 months and in use in four years.

"It can save a lot of lives," said Jeremy Travis, the director of the National Institute of Justice, the research arm of the Justice Department that has overseen a development program for the new technologies for two years.

"If you think of the situation cops face day in and day out, the greatest risk is approaching a subject who may be armed," Mr. Travis said. "So to be able to know in advance whether the individual is armed gives the officer an enormous advantage in safety and tactics."

Security at airports, courthouses and schools could be greatly improved by the new technologies, which include equipment using ultrasound imaging, a innovative type of X-rays and computer-aided versions of metal detectors. The advanced metal detectors would enable officers to screen more people more quickly and thoroughly with far fewer annoying false alarms.

Some of the equipment is ready to be manufactured now, and specialists say that even the most innovative of the devices, which draw on technologies used by the Defense Department to find enemy tanks, track Russian submarines and locate buried nuclear waste, may be in use by police officers within four years.

"They are coming to field very quickly," Mr. Travis said, "much faster than any of us anticipated."

The devices closest to being operational use what is known as a backscattered X-ray imaging system that, unlike traditional X-rays, emits a very low dosage of radiation, equivalent to about five minutes of exposure to the sun at sea level, and does not penetrate a person's body. Instead, the rays are reflected off the skin and are used to develop, in less than a second, an electronic image of the body and everything the person is carrying.

David Boyd, director of the institute's office of science and technology, said the equipment had been tested at a prison where large amounts of weapons and drugs were being smuggled in; he would not identify the prison. It worked so well, Mr. Boyd said, that people stopped trying to sneak in contraband.

The devices being installed in the prison in North Carolina and the federal courthouse in Los Angeles are made by Nicolet Imaging Systems of San Diego. They will be used in the courthouse as part of heightened security for an coming trial there of two dozen suspected Mexican drug lords, officials said.

POLITICAL NOTES

Hatch and Kennedy Set Health Initiative

WASHINGTON — One of the Senate's oddest couples, two longtime friends and ideological opposites, Senators Edward Kennedy, Democrat of Massachusetts, and Orrin Hatch, Republican of Utah, have proposed extending health care to the nation's uninsured children and financing it with a tax on cigarettes of 43 cents a pack.

Mr. Hatch and Mr. Kennedy, on the NBC program "Meet the Press," said Sunday that the tax would not only pay for health care coverage for 10 million children, but also reduce smoking among young teenagers and even produce excess money that could reduce the federal deficit.

"I give Ted Kennedy a lot of credit for moving to the center," Mr. Hatch said. "I've had to move a little bit to the center, too. When it comes to health care for the American people, you know, as far as I'm concerned, both of us will put politics aside."

The Hatch-Kennedy health care proposal joins an array of children's health proposals before Congress. The administration has proposed extending coverage to 5 million children through a combination of grants to states, covering the families of unemployed workers and signing up children already eligible for Medicaid.

The Hatch-Kennedy plan would give states block grants to cover children and let the states determine who would be eligible for coverage. Thirty-one governors have different programs in place, Mr. Kennedy said, and his plan would allow the states to build on this coverage.

But Trent Lott of Mississippi, the leader of the majority Republicans, said was he was "probably not" willing to countenance a tax on cigarettes "and certainly not for this."

"Senator Kennedy and I probably agree that we need to look at getting more children covered by insurance," Mr. Lott said. "His answer is always to raise more taxes and let the government do it. I'd like to have that problem addressed where it really needs to be addressed, by the parents in the communities." *(WP)*

Chris Usher/The Associated Press

TIME OUT — Tom Hayden, a Democrat, taking a break from his race against Richard Riordan to be Los Angeles mayor. Voting is Tuesday.

Discreet Democrats Politick in California

SACRAMENTO, California — They came, they saw, they schmoozed. But most of the Democrats who may end up running for governor of the largest American state next year studiously refused to tip their hands at their state party's annual convention here this past weekend.

By far the most electricity — and curiosity — crackled around a woman in red: Senator Dianne Feinstein, who whisked up the freeway from her home in San Francisco for a brief appearance at a Saturday luncheon, charmed the crowd and promised a decision "before it snows." Many of those who are active in the party think she is the Democrats' best hope to end 16 years of Republican rule.

The former White House chief of staff, Leon Panetta, was honored at a dinner for his years of service as a congressman from the Monterey Peninsula. Mr. Panetta made an impassioned plea for immigrants' rights and tolerance and allowed, "I've always felt that it was important to make the decision by late spring, summer."

State Controller Kathleen Connell has soft-pedaled a possible candidacy and gave no new hints over the weekend. And Alfred A. Checchi, the multimillionaire co-chairman of Northwest Airlines, who has hired a staff and begun an exploratory effort, was ostentatiously modest. "I don't feel I have the standing at this time" to accept an invitation to address the convention, he said, preferring to work the hallways and cocktail parties informally instead.

Only Lieutenant Governor Gray Davis, who has been running hard for months and already has a war chest of nearly $4 million, made his intentions plain, unleashing a blistering attack on the presumptive Republican nominee, Attorney General Daniel Lungren. He labeled Mr. Lungren an extremist and declared, "California will never be proud of a governor like that."

The party's new chairman, Art Torres, vowed to avoid a nasty primary fight. He announced a plan for prep-primary debates next year in the governor's race and other offices that he said could let candidates "put forward their own vision" and do away with negative campaigning. *(NYT)*

Quote/Unquote

Ross Baker, a political scientist at Rutgers University in New Jersey, commenting on the sentiment on Capitol Hill that Congress, back at work Monday after a two-week recess, is adrift: "The last thing this Congress needs, in addition to all the accusations of campaign finance irregularities, is to have a session barren of accomplishment." *(LAT)*

AMERICAN TOPICS

25 Years at Hard Labor — And Masterpiece Theater

Certain political powers in South Carolina really want the inmates in state prisons to suffer. Their latest strategy: take away the right to watch socially unredeeming television programs like "Baywatch" (buxom blondes in bikinis running across beaches), and replace them with a diet of heavier fare, such as Masterpiece Theater and Nature Scene.

"I want them to watch good, wholesome, upbeat, positive types of programs," said David Thomas, a Republican state senator who has introduced legislation to ban most network television from the state's 32 prisons.

His move, which is supported by the state attorney general and others, comes at a time of generally hardening views toward criminals — and of swelling prison populations and soaring prison costs. In South Carolina, riding lawn mowers used by inmates have been replaced by push mowers; new prison industries have been established, and prison stores no longer sell TV sets for use in individual cells, The Atlanta Journal & Constitution reports.

Still, not everyone favors Mr. Thomas's attempt at television control. Taking away "Baywatch" and its ilk, wrote one editorialist, would send a "petty, mean-spirited message to prisoners." And the state educational television network confesses to being a bit uncomfortable at the implication that having to watch Masterpiece Theater is a form of punishment.

Short Takes

After tinkering with an idea dreamed up years ago at the Massachusetts Institute of Technology, Eric Begleiter and a company he heads are finally marketing holographic food, beginning with candy: high technology in the service of the sweet-toothed. A procedure he has developed etches micro-grooves into the surfaces of food, creating a ghostly, seemingly three-dimensional image. Star Trek lollipops, his company's first product on the market, project images of aliens and star ships. Mr. Begleiter sees endless possibilities. He has had fun with the seaweed on sushi. You can make little shimmering pictures of fish swimming, he said.

Cecilia Wolcott of Norton Shores, Michigan, got more than the light tan she was planning on when she crawled into her home tanning bed recently. When it was time to get out, she found the lid was stuck. Smoke was filling the room and, she said, "I knew I'd burn to a crisp if I didn't get some help." Luckily, she had her cellular phone with her — you never know — and called 911. Police and fire fighters rushed to her home and freed her, just in time, from the clutches of the rogue tanning machine.

International Herald Tribune

Internet Gives Peek At People's Wages

The Associated Press

ARLINGTON, Virginia — The financial status of millions of Americans is now available on the Internet by looking up Social Security records, USA Today has reported.

The Social Security Administration went on-line a month ago, making it easier for taxpayers to look up their records. But USA Today said the system also allows easy snooping.

"As soon as crooks start exploiting this service to get other people's information, Social Security is going to have a real problem on its hands," said Evan Hendricks, chairman of the U.S. Privacy Council in Washington.

Social Security officials told the newspaper that the dangers were minimal.

The agency said the system could save millions of dollars it costs to mail financial reports to taxpayers who request the information about themselves.

Beth Givens, manager of the Privacy Rights Clearinghouse in San Diego, told USA Today it was easy to abuse the system by obtaining the Social Security numbers of others and using them to gain on-line access to the records.

The newspaper said there were various types of potential abuse: Prospective employers could get the salary history of job applicants; co-workers could determine how much fellow employees are paid; landlords could use the information to determine whether someone can afford an apartment.

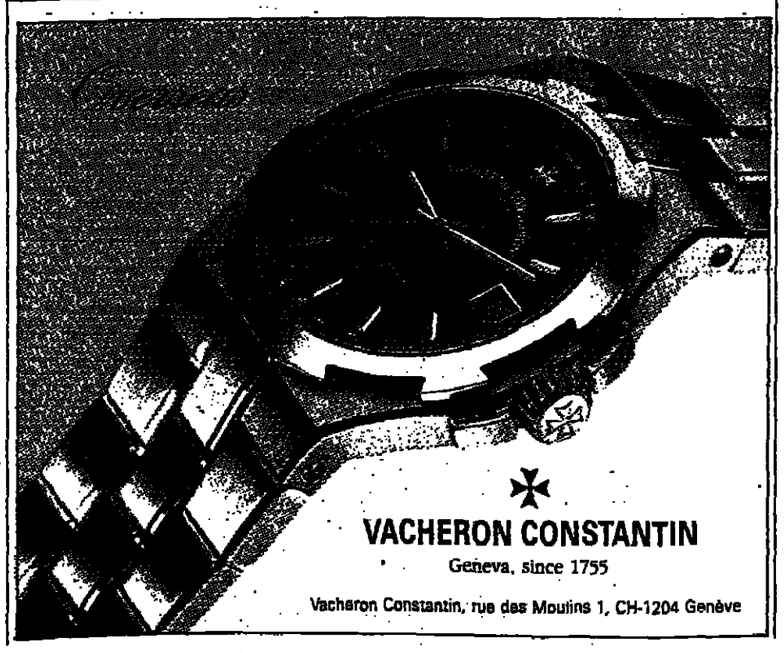
The information can be obtained on-line at http://www.ssa.gov.

Away From Politics

• **Sandbaggers in the flood-ravaged** northern Plains states of North Dakota, South Dakota and Minnesota battled subzero wind chills to fortify levees against still rising rivers, as other crews cleared deep snow from a spring blizzard. *(AP)*

• **Fire swept through a row** house in Philadelphia, killing two adults and three children, including a week-old baby, and injuring several fire fighters. *(AP)*

• **A former army drill sergeant,** Delmar Simpson, pleaded guilty to 11 counts of having sex with trainees but not guilty to 21 counts of rape. Sergeant Simpson is now facing a court-martial at the Aberdeen Proving Ground in Maryland. *(AP)*



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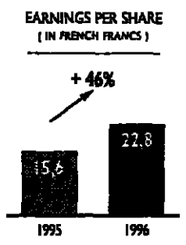
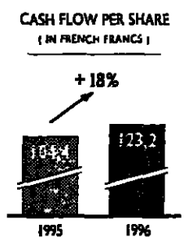
EARNINGS PER SHARE (IN FRENCH FRANCS)



CASH FLOW PER SHARE (IN FRENCH FRANCS)



Strong services performance

In 1996, the group achieved consolidated revenues of FRF 91.6 billion. The revenue share of the Environmental Services Division (water, energy and waste disposal) amounted to 54 %, attesting to the group's further strengthening of its core activities. The Communications Division (broadcast, cable and satellite TV) continued to grow strongly (+ 14 %), while the Construction and Infrastructure Concession Division held up well in difficult market conditions.

The positive development of the key operational indicators is due principally to strong performance in Environmental Services and Communications, and a significant reduction in losses in the real estate sector.

Focus on international

International operations (39.1% of sales) continue to drive the group's further expansion, aided by the acquisition of the Northumbrian Water Group's activities in the U.K. and important new water contracts in Manila, Cordoba, Budapest and Maribor (signed early 1997).

The group continued to develop internationally its waste disposal activities, mainly in Europe. In the energy sector, new strategic cogeneration agreements were concluded by Trigen in North America with Hydro-Québec and Cinergy Corp.

Property phase-out almost completed

The group further reduced its property exposure to FRF 1.5 billion, and losses from this sector decreased commensurately. As a result of provisions existing in the accounts at 31 December 1996, group profits in the future will no longer be affected by this sector.

Bright prospects

The group's strong strategic focus on core activities and international development is expected to deliver further revenue and profit growth in 1997.

Proposed merger with Suez

The group chairman presented a project concerning the possibility of merging Lyonnaise des Eaux and Compagnie de Suez to the Board of Directors. The Board received it favourably and unanimously agreed in principle. The subject will be discussed during a special Board Meeting which will take place on 11 April 1997.

LYONNAISE DES EAUX

Internet : http://www.lyonnaise-des-eaux.com

INTERNATIONAL

France on Strike: Not for Better Future, but for a Stable Present

By Craig R. Whitney
New York Times Service

PARIS — Two years ago, President Jacques Chirac of France told the people who elected him that he understood what they wanted — fundamental change in an economy wracked by chronic double-digit unemployment, and hamstrung, he said, by the increasingly onerous burdens of the French welfare state.

Maybe he was wrong.

These days, unemployment is higher than ever, at 12.8 percent, but every day seems to bring a new French strike — not to win higher wages or longer vacations, the things workers here demanded and got in labor disputes in the past, but to keep the wages and state-mandated benefits they already have.

This past week alone, pilots of the money-losing, state-owned domestic airline, Air France Europe, grounded all flights to and from Paris for two days with a strike protesting a plan to pay future new pilots lower salaries after the line completes its merger with Air France, which is also deep in the red.

Hospital interns across the country have been occupying railroad stations and roads to protest a government plan to try to control increases in spending on health care, which has been largely reimbursed by the French social security system.

Bank employees stayed away from work to protest changes in work hours that would let banks open on Saturdays.

And truck drivers, who tied up the country last November with a strike to win the right to retire at age 55, said they would strike again in May because companies and unions had been unable to agree on how to finance the plan, even with government help.

"With government transfer payments amounting to well over 50 percent of national income, at least one person out of two is on the receiving end, directly or indirectly," said Yves-Marie Laulan, one of the rare French economists who supports cutting back the role of the state in the economy.

"Any significant change necessarily steps on somebody's feet, and that somebody has a vote, so no real reform ever has majority support," he said.

Mr. Chirac, who won the presidency with 52 percent of the vote in May of 1995, now has the support of only 38 percent of the voters, according to a poll by Le Figaro magazine, which found Prime Minister Alain Juppe with a popularity level of only 32 percent.

Like Chancellor Helmut Kohl of Germany, Mr. Chirac has had difficulty convincing voters that there is light at the end of the tunnel leading to a common European currency, which France, Germany, and other countries hope to introduce in 1999.

To qualify, each country must reduce its government budget deficit to no more than 3 percent of its gross national product by the beginning of next year. Both France and Germany, with their swollen jobless rolls, will have trouble meeting this criterion, even if they keep a tight lid on spending.

Both countries have repeatedly vowed that they will make it.

This year, the government froze most spending at 1996 levels across the board, and set target ceilings for spending on health benefits to reduce the deficit in the pension and health insurance budgets.

"Today's conflicts are disparate and fragmented, but what they have in common is that they are not demanding a better tomorrow," wrote the daily Liberation. "People don't go to the streets 'for' (a higher salary or more vacation), but hit the pavement 'against' (a privatization, the social security plan, a shutdown, job cuts). Sacrifices demanded in the name of economic change are no longer accepted."

The French say they want change, but want to maintain the social benefits and high wage levels they have fought to acquire over the last 50 years.

French workers in labor unions now only amount to about 10 percent of the labor force, but the unions are willing to strike to preserve their benefits.

Strikes in the public sector have a powerful effect because the public sector itself is so huge, with the railroads, most domestic air routes, and even the biggest banks still largely in government hands despite privatization projects under way.

Repeatedly over the last two years, the government has acceded to the unions. When hospital interns began striking last month, for instance, the government quickly gave in to their most important demand by allowing new physicians a seven-year exemption from a penalty clause in the new health care cost-control plan.

Interns, worried about incurring heavy debts as they go into practice after their internships, got the exemption but continued the strike and demonstrations across the country in defense, they said, of the integrity of the medical profession.

GERMANY: *Jobs Emigrate*

Continued from Page 1

fast, unlike a mature industrial society like Germany. They are not asleep. Pretty soon, they will start to produce for the German market — and then it may be too late for my country to change its ways."

"We have become too spoiled by our social benefits," he said. "Instead of investing in future technologies, the government is wasting money on subsidies for dying industries; and many German companies have decided they cannot afford to wait for a change in attitude and mentality in their homeland."

The transfer of production facilities to lower-wage neighbors has gained speed in the past 18 months, business leaders say, largely because German labor leaders refuse to accept cuts in wages or entitlements. The decline in German jobs has produced a windfall of employment for the former Communist states in Eastern Europe. In addition, they have collected more than $100 billion in aid from Bonn since the Iron Curtain fell in 1989 and have shifted almost the entire focus of their economies toward the West. For Germany, relations with Eastern Europe have rarely looked brighter.

Profits from cross-border operations are soaring, and German capital employs several million workers in the country's Eastern neighbors. The rising number of plants and factories in the East emblazoned with names such as Volkswagen, Mannesmann, Audi and Henkel, shows that the *Drang Nach Osten*, or allure of the East, has never been stronger for Germany.

"The goodwill created by German companies that have come east offering jobs and good income to our people," Andrzej Olechowski, a former foreign minister of Poland, said, "has done more to ease tensions than anything else. The worry about becoming a German colony has disappeared because these firms have proved that Germany can be a helpful neighbor, not an oppressive one."

Still, historical resentments linger. Some East European politicians, notably Prime Minister Vaclav Klaus of the Czech Republic, say they remain wary of being smothered in a benign economic embrace by the neighbor that once occupied their lands by force. Meanwhile, Germany's neighbors to the west worry about the eastward shift in economic gravity, a process that is likely to accelerate when the German capital moves to Berlin, just 80 kilometers (50 miles) from the Polish border, at the end of the century.

Most of all, German workers wonder whether they will be able to hold on to the dwindling number of jobs at home that provide an average wage level of $30 an hour (nearly twice that of the United States and Britain), six-week vacations and a month's pay as a Christmas bonus.

A protest strike by German construction workers last month erupted in violence when they marched on a Berlin site that was using Polish laborers.

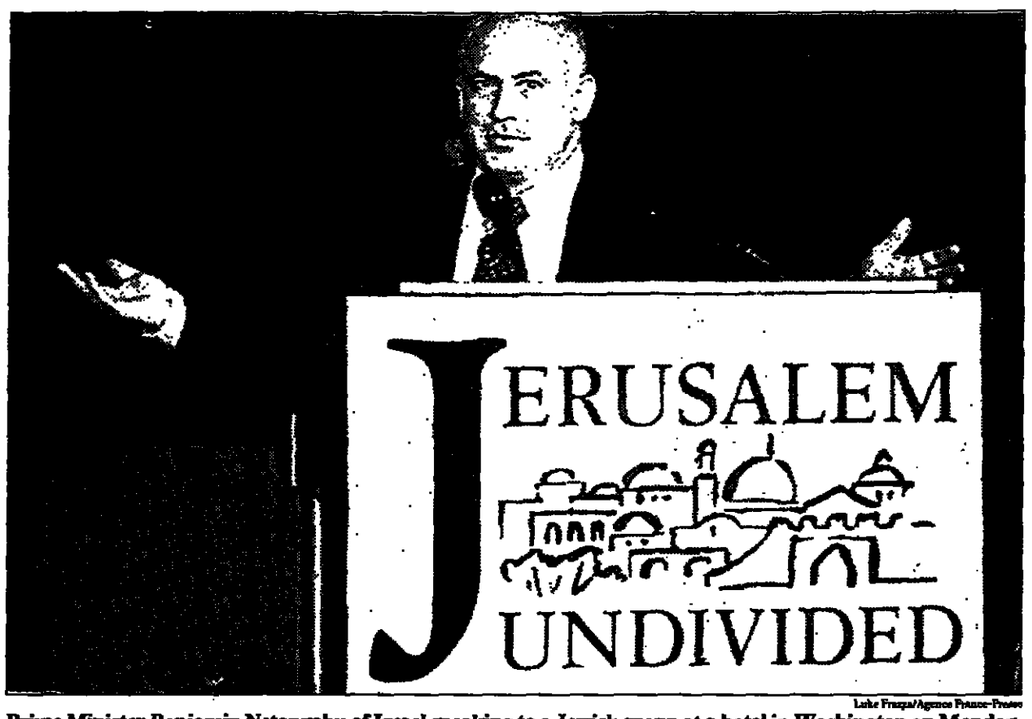
While Germany's image may have improved in Eastern Europe, many Germans are becoming angry and worried about sharing their prosperity with neighbors who are clamoring to join the elite circle of affluence within the European Union. Polls show a majority of Germans turning against the idea of granting EU membership to East European candidates within the next few years because they fear their own living standards will suffer with the continuing outflow of jobs and capital.

But in many ways, the changes that Germans fear have already come. National loyalties have become almost obsolete in an increasingly global economy. Within two years, Siemens expects that the majority of its 379,000 employees will be foreigners.

Hoechst AG, Germany's leading chemical company, has slashed its number of German workers to 45,000 from 80,000.

Figures released by the Bundesbank showed that investments abroad by German companies nearly doubled in 1995, to $32 billion, and rose an additional 40 percent last year. The study by the central bank predicted the trend would accelerate unless drastic measures were taken to curtail wage costs.

Also, a recent survey found that 28 percent of Germany's 6,000 leading companies planned to move production abroad over the next three years — nearly two-thirds cited high labor costs as the main reason.



Luke Frazza/Agence France-Presse

Prime Minister Benjamin Netanyahu of Israel speaking to a Jewish group at a hotel in Washington on Monday.

ISRAEL: *Clinton Calls Talks With Netanyahu 'Very Specific'*

Continued from Page 1

with King Hussein in a meeting Sunday at the Mayo Clinic in Rochester, Minnesota, where the king is recovering from prostate surgery.

The peace process has stalled as the chief parties face the most sensitive issues still to be resolved: the final status of Jerusalem, a city claimed as capital by both sides, and Jewish settlements in the occupied territories.

Mr. Clinton has condemned the construction, begun last month, of 6,500 apartments for Jewish residents in East Jerusalem but also ordered a U.S. veto of a United Nations Security Council resolution condemning that construction.

That veto was assailed by many Arab spokesmen, some saying that the U.S. role as honest broker in peace talks was in jeopardy.

Mr. Clinton's low-key tone Monday contrasted to the vigorous and uncompromising speech earlier by Mr. Netanyahu, who said to loud applause at a pro-Israel breakfast that "We will not bend" in the face of terrorism and that the Palestinian leadership had made "almost zero effort" to curb violence.

U.S. spokesmen tried to lower hopes for Monday's meeting in the White House.

"Ultimately, the parties have to make their own decisions," said Dennis Ross, the chief U.S. Middle East negotiator.

Mr. Clinton was expected to ask Mr. Netanyahu to halt the construction project that began March 18 in East Jerusalem, sparking almost daily violence ever since.

Failing that, he was expected to suggest that no new construction begin during peace talks and that Israel build new housing for Arabs too in East Jerusalem.

Mr. Netanyahu was expected to ask Mr. Clinton for assurances that the Palestinian leadership would stop terrorist attacks.

The president was also expected to seek a clear indication from Mr. Netanyahu whether he might agree to join the opposition Labor Party in a government of national unity, which would carry greater weight and credibility in Palestinian eyes in negotiations.

EUROPE: *Danes Defy Beijing*

Continued from Page 1

Denmark "will be the biggest loser," he told a media briefing on human rights in China.

Undeterred, Mr. Petersen told the Danish news agency Ritzaus Bureau: "We have made our decision."

As the EU prepared to increase the pressure, President Jiang Zemin was quoted as saying that China would sign one of the two major UN conventions on human rights this year.

Mr. Jiang committed China to signing the UN convention on economic, social and cultural rights before the end of the year, the French defense minister, Charles Millon, said during a visit to Beijing.

"Jiang said China is positively studying the UN convention on civil and political rights in the context of Chinese legislation," Mr. Millon reported.

The convention on civil and political rights is the second of the two main UN conventions.

Mr. Millon, who arrived in Beijing on Sunday for a landmark five day visit to China, held a 90-minute meeting with Mr. Jiang.

Previous attempts to condemn China on human rights in a UN resolution following Beijing's bloody 1989 crackdown on pro-democracy protesters have failed. China has rallied enough support each year to block the move.

The Chinese bid to stop Denmark from going ahead with the resolution came after the EU was unable to agree on a joint resolution.

The Dutch EU presidency had been expected to present the annual EU-sponsored resolution on behalf of all 15 members, but no consensus was found. But Foreign Minister Hans van Mierlo of the Netherlands said most EU countries supported the Danish-led resolution.

"We're grateful Denmark is willing to do this, and endorse the Danish resolution," he said, adding: "We are not targeting China in particular, but violations of human rights."

Nicholas Burns, U.S. State Department spokesman, said, "This decision by Denmark reflects its principled commitment to the universality of human rights."

The EU's failure to agree on a joint resolution has set off concerns about the EU's credibility at a time when it seeks to strengthen its common foreign and security policy. Mr. van Mierlo has said that failure to agree on the China motion was a serious setback for those prospects.

Diplomats in Geneva said China had begun a rearguard action at the Rights Commission to head off Denmark's resolution. *(Reuters, AFP)*

■ China Thanks Chirac

Mr. Jiang and Prime Minister Li Peng thanked Mr. Chirac on Monday for not supporting the EU move to censure China on human rights, Agence France-Presse reported from Beijing.

Mr. Jiang said Paris's decision was "very good."

Mr. Li told Mr. Millon of France that "we appreciate this perceptive and intelligent decision" by Mr. Chirac, state television reported.

He added that China was "happy to cooperate and arrange exchanges with France" in defense and promoting human rights.

In the past year, he said, "France and China have made great progress and in a positive direction," he said.

HANBO: *Its Founder Testifies*

Continued from Page 1

to help him obtain bank loans. Mr. Hong, one of those on trial over the scandal, has been charged with accepting bribes from Mr. Chung.

Mr. Chung also said he understood that Hanbo executives had paid money to Kim Deog Ryong, a member of the president's inner circle and one of nine people mentioned as a candidate for the New Korea Party's nomination in the next presidential election.

Mr. Kim is barred from seeking a second term.

Money was also delivered to Kim Sang Hyun, a senior lawmaker with the main opposition National Congress for New Politics, and Kim Yong Hwan, secretary-general of the United Liberal Democrats, Mr. Chung said. He declined to give further details on payments to the three politicians.

The hearing, part of a 45-day investigation by Parliament into South Korea's biggest corporate failure, was arranged after the opposition attacked a previous investigation as a whitewash.

Mr. Chung apologized for the damage to the economy caused by Hanbo's failure but said policymakers and bankers should take some blame for letting the company default on debt payments months before a new steel mill was due to open.

"It was like pulling out normal teeth," he said in clearly angry voice. "I told them this could cause harmful side effects which might lead to the death of the whole body."

Mr. Chung denied that Hanbo had diverted millions of dollars it had officially earmarked for investment in factories to lobby politicians or enrich his family.

The Hanbo corruption trial has heard evidence that Mr. Chung handed out wads of cash in briefcases, and even hidden in apple crates, to buy political influence and ensure funding for a massive new steel mill.

Mr. Chung said his companies had spent nearly 1.5 trillion won paying interest on funds borrowed from banks and other financial institutions. Hanbo borrowed much of the money to build a steel mill that is still uncompleted.

Opposition politicians have charged that Mr. Kim received money from Mr. Chung before the 1992 presidential vote. They have also said that the president's second son, Kim Hyun Chul, was involved in the scandal surrounding Hanbo.

Kim Hyun Chul will have to appear before the parliamentary hearing this month to face charges that he pressured banks to extend loans to Hanbo Steel for construction of the steel mill.

Last month, an opposition lawmaker alleged that the younger Mr. Kim had received 200 billion won in kickbacks for arranging the import of machinery for the steel plant. *(Reuters, Bloomberg, AFP)*

SHUTTLE: *A Costly Failure for the Mission and for Science*

Continued from Page 1

shut off. All nonessential equipment, including most of the lighting, was turned off to conserve power for the experiments.

"Everybody is disappointed that we are going to have to come home early," the shuttle commander, Jim Halsell, said at a news conference Monday. Other crew members felt "shock and disbelief" at the news, said another astronaut, Donald Thomas.

The decision left the astronauts with just two and a half days in the lab before a landing Tuesday afternoon.

The researchers will push to get their 33 experiments — considered precursors for the future international space station — on another shuttle mission.

Flight controllers said the crew was in no immediate danger.

The decision is only the third time since space shuttle flights began in 1981 that a mission has been ended early by NASA. On the second mission of the program, in November 1981, Columbia was called back three days early because of a fuel cell problem. In December 1991, Atlantis also returned three days ahead of schedule, on the 44th mission, because of malfunctioning navigational equipment.

The price of this shuttle flight was about $500 million, not including the experiments. NASA officials said they did not know how much the experiments cost, but the expense of outfitting the laboratory alone was $35 million.

The astronauts had planned to start as many as 200 fires in a closed container to see how flames spread in weightlessness. The tests were intended to lead to cleaner and more efficient fuels and better firefighting techniques in space and on Earth.

Other plans included mixing liquid metals in the absence of gravity and experiments on spinach, clover, sage and periwinkle plants because space travelers may one day need to grow their own food.

The shuttle flight was derailed by a subtle, not-yet-understood problem in fuel cell No. 2, one of three electrical generators on the shuttle that combine hydrogen and oxygen to produce both electricity and the crew's drinking water.

Shortly after Columbia's launching Friday, engineers noticed a slight discrepancy in the voltage from one of the substacks in fuel cell No. 2. As the flight progressed, the mismatch increased, indicating low voltage in a single cell.

Low voltage generates heat, and engineers were concerned that if the fuel cell continued to operate, enough heat could be generated to burn through membranes separating hydrogen and oxygen.

"That's considered a crossover of our two gases and of course, that's hydrogen and oxygen, and when they mix that's not a nice sight," said Jeff Bantle, a mission operations representative at the Johnson Space Center. "By terminating the operation here, we can preclude getting close to that kind of a situation."

While Columbia's power plant never reached the critical point at which NASA's rules would have required the flight to be ended early, the plant's performance was such that engineers were uncomfortable continuing the flight.

(AP, WP, NYT, Reuters)

The Associated Press

The Columbia crew members Greg Linteris, left, Jim Halsell, bottom, Susan Still, right, and Donald Thomas, top, conducting a press conference Monday. They are scheduled to land Tuesday at Cape Canaveral, Florida.

N.Y. Times Reporter Wins 2d Pulitzer

Reuters

NEW YORK — John F. Burns of The New York Times won the Pulitzer Prize on Monday in journalism for international reporting.

The Pulitzer Prize board at Columbia University cited Mr. Burns "for his courageous and insightful coverage of the harrowing regime imposed on Afghanistan by the Taleban."

Mr. Burns was the co-winner of the 1993 prize for his reporting from Bosnia.

Tim Page, The Washington Post music critic, won the award for criticism.

The prize for spot news reporting went to Newsday for coverage of the explosion of TWA Flight 800, and the national reporting award went to The Wall Street Journal for coverage of the struggle with AIDS in the scientific and business communities.

Michael Gartner of The Daily Tribune of Ames, Iowa, won the editorial writing prize for coverage of local issues, and Walt Handelsman of The Times-Picayune of New Orleans won for editorial cartooning.

The commentary prize was awarded to Eileen McNamara of The Boston Globe for her columns on Massachusetts issues.

Byron Acohido of The Seattle Times won the beat reporting prize for his coverage of the aerospace industry, which resulted in new federal safety requirements.

The award for explanatory journalism was won by The Philadelphia Inquirer for a series on choices confronting critically ill patients seeking to die with dignity.

The Seattle Times won the Pulitzer for investigative reporting for its stories on widespread corruption in a federally sponsored housing program for American Indians.

The Times-Picayune of New Orleans won the 1997 Pulitzer Prize for public service journalism Monday for a series analyzing conditions threatening the world's supply of fish.

Wynton Marsalis won the 1997 Pulitzer Prize for music, and Frank McCourt took the prize for biography with his "Angela's Ashes: A Memoir."

Mr. Marsalis, who plays the trumpet, won for his "Blood on the Fields."

The Pulitzer for fiction went to Steven Millhauser for "Martin Dressler: The Tale of an American Dreamer."

There was no award given for drama.

Jack N. Rakove won a Pulitzer in the history category for "Original Meanings: Politics and Ideas in the Making of the Constitution."

The poetry award went to Lisel Mueller for "Alive Together: New and Selected Poems."

Richard Kluger received a Pulitzer in general nonfiction for "Ashes to Ashes: America's Hundred-Year Cigarette War, the Public Health, and the Unabashed Triumph of Philip Morris."

The feature-writing prize went to Lisa Pollak of The (Baltimore) Sun.

Kidnapping Demolished

The Associated Press

NIXA, Missouri — A woman whose 6-year-old son was abducted from the yard of their home gave pursuit, repeatedly ramming the suspect's car with her own.

The boy was pushed out of the car, unharmed. An arrest was made later.

EUROPE

Fight Over Albanian Mission Masks the Real Political Issue in Italy

By Alan Friedman
International Herald Tribune

PARIS — Prime Minister Romano Prodi of Italy and his government of the center-left were being held political hostage Monday by a hard-left Communist who commands less than 9 percent of the national vote.

The crisis atmosphere in Rome, fueling fears that the government might collapse, is centered on the issue of whether Italy should send a few thousand troops to lead a humanitarian mission to Albania. The hostage-taker is a charismatic popolist — Fausto Bertinotti, 57, leader of the Refounded Communist Party.

When Parliament votes this week on a motion to approve Italy's leadership of a one-year military mission to Albania, Mr. Bertinotti's party will vote against the motion.

That would mark the first time that the government's majority has split on a major policy vote since Mr. Prodi took office 11 months ago. In theory that could result in Mr. Prodi's losing his majority.

On Monday, after he was host to a meeting of coalition politicians, Mr. Prodi tried to put a brave face on the situation. There is, in fact, a good chance that he will be spared a parliamentary defeat, but thanks to a most unlikely savior: Silvio Berlusconi, the center-right opposition leader, is expected to abstain from voting or even support the Albanian intervention because Italy's rightist parties approve it.

Sending a couple of thousand troops to Albania on a mission backed by the United Nations is not the sort of issue that would normally determine an Italian government's fate. But the real issue in Italian politics is not Albania; it is Mr. Bertinotti's influence.

Although Mr. Bertinotti is not a cabinet member and while he does not have many votes, the Prodi government cannot survive without him. As a result, Mr. Bertinotti has become a high-profile thorn in Mr. Prodi's side.

For months now, Mr. Bertinotti has been able to condition government policies on just about every major issue, from privatization to the content of deficit-cutting measures needed to help Italy achieve targets to qualify for Europe's single currency project.

As a result, his role has become a primary concern for other European leaders as they watch Rome struggling to push through austerity programs to meet conditions for European monetary union.

"I think Bertinotti is a saber-rattler," said Ros Lifton, a senior economist at HSBC Markets in London, "but I think he is also very happy to act as a power broker and therefore I don't think that on issues from Albania to pension reform he will really pull the rug out from under Prodi's feet. I think he is quite happy to influence policy in the way he wants it to move, and for that reason Prodi obviously has to listen to him."

NEWS ANALYSIS

Most critics of Mr. Bertinotti — including Mr. Berlusconi, the Confindustria employers' federation and even such government coalition members as Foreign Minister Lamberto Dini — worry that Mr. Prodi's alliance with the Refounded Communists means that real spending cuts and other tough policies will be watered down.

"The alliance with the Refounded Communists," observed Ms. Lifton, "has acted as a drag on the kind of fiscal policies which should have been pursued in Italy, so you have not seen meaningful spending reforms but rather a series of one-off measures to curb the deficit."

She said the risk for Italy is that Mr. Bertinotti's opposition to any social spending cuts or real pension reform could hinder the country's chances of going into European monetary union in the first wave.

Mr. Dini is concerned.

"If the Refounded Communists vote against the government," he said in an interview Monday, "this will create a difficult situation requiring political clarification. The government cannot afford to wait and see what Mr. Bertinotti's attitude will be on social security reforms that we need to make ahead of a single currency. Otherwise it will be too late to insure that the 1998 budget will be framed in a way that includes these reforms."

Although interest rates have come down in recent months and inflation was down to just 2.2 percent Monday, the Prodi government is having to contend with budget cuts at a time when unemployment is at 12.4 percent and 1997 economic growth is forecast at just 1.2 percent.

As a result, most Italy-watchers fear that Mr. Prodi may be left with little room to maneuver on welfare reform, just when he needs it most — the rest of this year.

Mr. Bertinotti explained his strategy Monday: "Our position is to maintain our dissent on the Albanian issue, but to not cause the government to collapse in order to maintain our influence on the mother of all issues, which is welfare state reform. That will be the key issue."

Even some trade union leaders have said they do not want to start negotiating welfare reforms unless the government already has struck a deal with Mr. Bertinotti. Otherwise, say the union leaders, it could prove a waste of time.

If the government survives this week, then the Bertinotti factor looks likely to continue to have a disproportionate influence on the ruling coalition.

There is an alternative, but it is a political long shot. Mr. Prodi has spoken of the possibility of what he calls the politics of "variable geometry," which is shorthand for striking a deal with opposition center-right forces to provide votes on such issues as new spending cuts or welfare reform.

Any deal of that sort would, of course, send the government rushing into the arms of the opposition, which appears unlikely. This being Italy, however, anything can, and might still, happen.

Fausto Bertinotti, foe of Italy's proposed Albania role.

In Shift, Labour Vows To Sell State Businesses

Compiled by Our Staff From Dispatches

LONDON — Labour's leader, Tony Blair, pledged Monday to maintain the Conservative government's policy of selling off state-owned enterprises and properties, which his party had long opposed.

The pledge by Mr. Blair, front-runner in the campaign for May 1 national elections, represented the end of Labour's opposition to privatization, a practice strenuously pursued by the Conservatives through their 18 years in power.

Earlier, aides said Labour was drawing up a list of state assets worth up to £122 billion ($200 billion) for possible sale, including the National Air Traffic Control System.

The "presumption should be that economic activity is best left to the private sector, with market forces being encouraged to operate," Mr. Blair said at a gathering of business executives at the Corn Exchange in London.

The government's treasury minister, Chancellor of the Exchequer Kenneth Clarke, heaped scorn on what he called Labour's swift conversion to privatization.

"You can't put people who are making it up as they go along in charge of the national economy," Mr. Clarke said.

The Conservatives have sold off billions of pounds of state assets, including the national railroads, British Airways, British Telecom, and the water and electricity companies.

The Labour Party opposed each sale.

The Times of London said Monday that another candidate for privatization would be the Inland Revenue's 450 tax offices, whose sale could raise £2.5 billion.

Two years ago, Labour dropped from its constitution a Marxist-style clause, Clause IV, that called for public ownership of the means of production.

The formal ditching of the clause was part of the party's sharp shift to the center after four successive election defeats.

Mr. Blair told the business executives that Labour favored a "third way" between the ideologies of privatization and state control.

"There should be no dogmatic belief," he said. "What counts is what works."

(AP, Reuters)

TV Journalist Joins U.K. Race

Reuters

LONDON — Martin Bell, a veteran war correspondent for the BBC, said Monday he would run as an independent candidate for the parliamentary seat of a Conservative former government minister accused of taking cash for asking questions in Parliament on behalf of businessmen.

Candidates of the Labour Party and the Liberal Democrats have agreed to stand aside for Mr. Bell unless Neil Hamilton, who denies the accusations against him, withdraws from the race in his constituency in Tatton, northwest England.

Mr. Bell's candidacy would allow the opposition to combine their votes against Mr. Hamilton and appeal for support from Conservatives unhappy with the Tory's refusal to resign.

BRIEFLY

Kohl Ready to Meet on Tax Cut

BONN — Chancellor Helmut Kohl said Monday he was ready to talk with the opposition leader about breaking a deadlock over a tax cut plan, seen by the German government as a way to create jobs and spur the economy.

Mr. Kohl told reporters before a meeting of his Christian Democratic Union he had "no objections" to meeting the Social Democratic Party chief, Oskar Lafontaine. The Social Democrats have made Mr. Kohl's presence at the bargaining table a condition for resuming talks with the government, which they broke off last month to show solidarity with coal miners protesting planned cuts.

Later, Mr. Lafontaine said he was ready to resume the talks, but neither he nor Mr. Kohl gave a date. Two previous rounds since February, both without Mr. Kohl, failed to make headway. *(AP)*

Spanish Banker Makes Bail

MADRID — Mario Conde, the convicted financier, avoided going to jail Monday after the National Court accepted real estate guarantees in place of the 2 billion pesetas ($14 million) bail he had been ordered to pay.

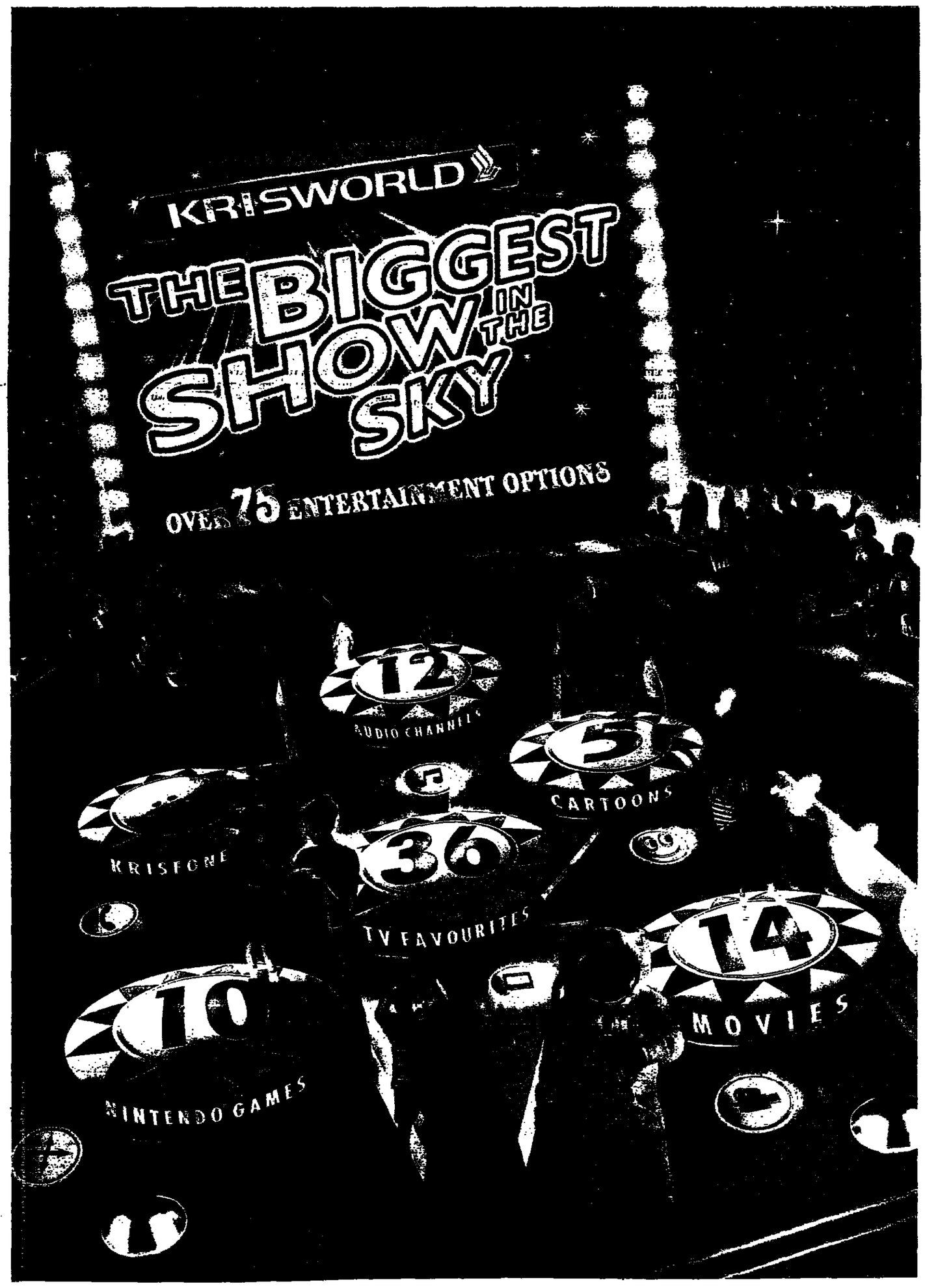
One of Spain's leading bankers, Mr. Conde was sentenced last month to six years in jail for misappropriating millions of dollars from his former bank, the Banco Espanol de Credito (Banesto). Unable to gather sufficient guarantees for the bail, Mr. Conde presented the real estate guarantees for properties estimated to value 4 billion pesetas instead. *(AP)*

Paris Seeks Russia-NATO Link

PARIS — France hopes to bolster negotiations on a new relationship between Russia and NATO and may offer to be host of the signing ceremony when Foreign Minister Yevgeni Primakov of Russia visits Paris this week, diplomats said Monday.

Mr. Primakov, due to have a fresh round of talks with the NATO secretary-general, Javier Solana, in Moscow on April 15, is to meet Foreign Minister Herve de Charette on Tuesday and President Jacques Chirac on Wednesday.

The trip is seen in Moscow as part of Mr. Primakov's efforts to negotiate conditions for the planned eastward expansion of NATO that would inflict minimal damage and humiliation on Russia. *(Reuters)*



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Japan's Far Rightists Sound Off

Ultranationalists Use Violence to Emphasize 'Patriotic' Message

By Kevin Sullivan
Washington Post Service

TOKYO — It was a rainy Saturday morning at Yasukuni Shrine, the symbolic heart of Japanese nationalism, where imperial soldiers who led Japan into World War II are enshrined.

Wearing military fatigues and heavy black boots, 180 mock soldiers marched in place on the muddy parade ground in a grove of dripping cherry trees. They were construction workers and engineers, many with paunches, some in their 20s, some past 60, weekend warriors with a fanatical love of their nation and their emperor.

After singing the national anthem and bowing in the direction of the Imperial Palace, they climbed aboard 50 armored sound trucks and buses and took to the Tokyo streets in massive vehicles, circling a building where a moderate politician they hate was attending a meeting.

Screeching through loudspeakers atop the trucks so loudly that the riot police covered their ears, they called the politician's name over and over for two hours: "Hatoyama! Kill yourself! Hatoyama! Resign! Hatoyama! Kill! Kill! Hatoyama! Smash him to death!"

These men and thousands like them across the country are the face of Japanese nationalist fundamentalism. Like the militias in the United States, the camouflage-wearing, ultranationalist rightists here are fiercely conservative, organized in a loose military structure, well armed, by Japanese standards, and committed to violence to press an agenda they equate with patriotism.

The police say there are nearly 100,000 of these rightist activists. In recent years they have fired shots near a prime minister, shot and wounded two leading politicians, firebombed the Parliament building and a political party headquarters, taken journalists hostage and shot at members of religious, political and news media organizations they consider enemies.

To their way of thinking, Japan has apologized too much for World War II. They believe that Pearl Harbor was a natural reaction to U.S. policies in Asia; that Chinese estimates that as many as 300,000 Chinese were slaughtered in Nanjing are grossly exaggerated; and that Japanese soldiers never forced foreign women into sexual slavery as "comfort women." The women in question were willing prostitutes, they say.

These views, shared by a small but vocal group in Parliament, are a reason that Japan so often finds itself on the diplomatic ropes with neighbors.

They are an embarrassment for most Japanese and for the Japanese government. But the government's limited efforts to rein them in have led to a perception and fear in many Asian capitals that the rightists say publicly what many Japanese believe privately.

"The things they chant are indicative of Japan's unrepentance for its wartime record; they glorify and beautify their imperial heydays," said Lee Jung Hoon, a professor of political science at Yonsei University in Seoul. "This is not comforting for Korea, China and other neighbors."

Mr. Lee said the Japanese government's tolerance of rightist groups is "alarming" but not surprising. "Although Japan professes to be a pacifist and progressive society, the undercurrent is that Japan is still a very conservative society," he said.

Japan's rightists are united by a sense that Japan is not what it used to be. They are motivated by their belief that they must take up arms to fight to restore

To the rightists' way of thinking, Japan has apologized too much for World War II.

Japan's dignity, which they feel was stripped in the constitution written by American occupiers after the war. They believe the country's dignity has been eroded further by Japan's apologies for the war, and by scandals caused by dishonest politicians and businessmen.

Shinnosuke Inami, who has written extensively about the rightists, said most Japanese people think the groups are "noisy and annoying." But he said that a substantial number of Japanese believe some of the same things, "including that Japan was not single-handedly responsible for the war."

It is impossible to spend time in Tokyo without seeing and hearing the nationalists. The sound trucks circle the Korean or Russian embassies to complain about territorial disputes. They wail about newspapers or magazines that criticize the imperial family. Even in upper floors of buildings, the blaring of the national anthem or marches disrupts telephone conversations.

On a recent day, one rightist, Masahide Hosokawa, let a reporter ride in his converted tour bus as it rolled through Tokyo in a caravan of 50 sound trucks. The men, and some women, behind the tinted glass are generally working-class people. Some say they joined out of frustration for the disappearing "old Japan," or because they feel they need to balance the liberal news media.

"We think the greatest threat to Japan is a sense of declining morals," said Mr. Hosokawa, 65, the president of a construction company. He wore camouflage fatigues, sitting next to his 28-year-old daughter, identically dressed.

Mr. Hosokawa said he was concerned that Japan has "peace amnesia," and that economic prosperity has caused the Japanese to forget that China, Russia and South Korea all claim territory for which Japan once fought.

"There is probably a way to say that more softly, maybe by writing letters, but we think that is not enough," he said. "It is important to send a direct message to the people through the sound trucks."

The Japanese police consider have assigned nearly 1,000 officers to track the groups fulltime. "The activity of the sound trucks is not really a threat per se," said Shinichi Uematsu, a high-ranking officer in the National Police Agency. But he said crime by rightists is increasing and they have been charged with nearly 100 acts of violence or terror since 1989 — almost half of them personal attacks on political or news media personalities.

The March 22 rally was aimed at Yukio Hatoyama of the Democratic Party, who commented on a recent trip to South Korea that Japan should take more responsibility for the "comfort women" issue. That comment, a view shared by much of mainstream Japan, was enough to mobilize rightists to call for the head of "Hatoyama, the disgusting traitor." They also claim to have mailed a single .22-caliber bullet to Mr. Hatoyama as a warning. "Hatoyama should take that warning seriously," said Kenji Watanabe, 47, chairman of a group called the Great Japan Sincerity Association.

The motto of another leading ultranationalist group, Japan Alliance, is "One assassination saves millions of lives." The group's first two presidents were both involved in political assassinations before World War II. Their successor, Hiroki Ooto, 80, said he would not hesitate to do the same.

Before the march began at the Yasukuni Shrine, the nationalists met to plan strategy in a small noodle shop nearby. "I am doing this because I love my country, and I like expressing that feeling," said Tamotsu Takase, 34, an executive in a construction materials company. "I feel I am correcting things that cannot be corrected by law."

Others sounded more bitter. "Everybody is taking Japan lightly and looking down on us," one marcher said. "We must build a Japan that is respected."

Agence France-Presse

DELAYED APPRECIATION — Chris Patten, left, the governor of Hong Kong, and Jack Edwards, who campaigns for veterans, folding a flag Monday after a group photo with 40 wives and widows of former prisoners of war and servicemen. Britain granted them passports last week, after lobbying by Mr. Edwards.

U.S. Donations: Penny Ante in Asia

By Sheryl WuDunn
New York Times Service

HONG KONG — From Asia, the accusations of influence-peddling at the White House look a bit different. The immediate reaction is often not outrage but surprise — at the low American prices.

Gift-giving to curry favor is widespread in most Asian countries. And a few highly publicized scandals, including cases that involved former presidents of South Korea, have highlighted what is widely accepted here: The practice is entwined with building relationships and doing business in Asia, and the amounts are usually far greater than the sums that have sparked an uproar in Washington.

Corruption may be no more widespread in parts of Asia than in other rapidly developing regions, like Latin America, but it has come into the spotlight because of links to President Bill Clinton's campaign fund-raising. And it is clear that the development boom that has transformed East Asian economies has sent prices soaring in the business of influence.

A result is that some executives here are struck mostly by how inexpensive it reportedly is to gain access to Mr. Clinton.

A $100,000 contribution will not get a visitor a night in the Asian versions of the Lincoln Bedroom, or probably even a presidential green tea or even a glass of water. Indeed, such an amount might be regarded as so puny a donation as to be insulting.

Take Yang Chung Mo, a South Korean business executive who in the 1980s was asked to contribute to the fund-raising efforts of Chun Doo Hwan, then the country's president. According to accounts of the episode in the Joongang Ilbo, a major Korean daily newspaper, Mr. Yang contributed $386,000, which was regarded as a paltry sum.

Mr. Chun is said to have been furious at the offering and at Mr. Yang's disregard for accepted norms (on other occasions, Mr. Yang paid by check instead of cash). And after all, Mr. Chun had dropped hints to him that another executive had donated $3.8 million.

So Mr. Chun, who is now in prison for corruption and other crimes, was said to have punished Mr. Yang by destroying his conglomerate, the Kukje Group, which was then one of South Korea's largest. At the time, Mr. Chun ruled as a dictator, so the case was never prosecuted.

Kukje went bankrupt in 1985, and its pieces were scattered among other conglomerates whose executives had dug more deeply into their pockets.

"If they want to influence policy, I don't think they would think in terms of $100,000," said a prominent Asian-American, referring to tycoons in Asia. "They would think in much larger amounts of money."

Politics is as costly a process in much of Asia as it is in America, and so politicians — with the same distaste as in America — feel obliged to turn to companies and wealthy individuals. Likewise, family members of influential figures in Asia, from Thailand to Taiwan and Indonesia to South Korea, sometimes see their roles as gatekeepers, and they take tips at the door.

In China, the son of a Politburo member confided a few years ago that he was accepting a $400,000 share of a company in exchange for arranging a few meetings and lending his family's support for a commercial project. The idea was that officials would favor the company if they realized that the family had a stake in it.

Contributions from Asians and Asian-Americans have been at the center of the controversy about White House campaign financing, but many Asian-Americans and Asians complain that the focus is misplaced. They say that the uproar is a result of bias. One businessman in Asia who saw Mr. Clinton said that at his breakfast meeting at the White House there were other foreigners, from the Middle East and elsewhere, but by far the greatest scrutiny had been directed at those with Asian names.

"I find a lot of 'yellow peril' invectives in the way this is reported," said Eugene Galbraith, who handles global research for HG Asia, a brokerage firm, and who spent 16 years in Indonesia before moving to Hong Kong last year. Mr. Galbraith said the same kind of search for political influence could be seen in other parts of the world without a strong legal tradition.

In such places, where various laws are interpreted loosely or simply do not exist, relationships have become a crucial means for doing business.

"It doesn't have so much to do with Asia as with political systems in which the rule of law is not sufficient," he said. "You've got to know the people to get things done."

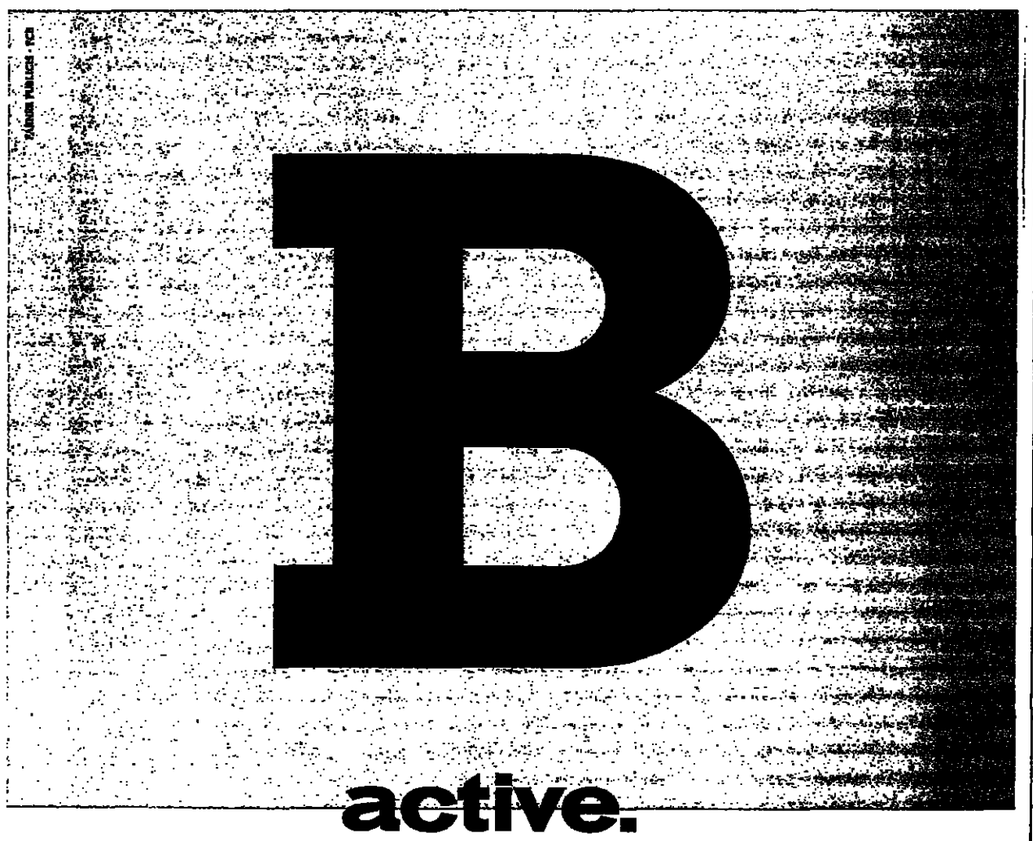
Yet the executives acknowledge that influence-peddling is widespread in Asia and that the custom of spreading around a million dollars here and a million there is hard to shed when dealing with the United States.

Above all, many Asian executives find it difficult to get excited about sums in the thousands of dollars.

In South Korea, former President Roh Tae Woo has been imprisoned and convicted for, among other offenses, raising more than $350 million in illegal contributions. Of that sum, two companies contributed $31 million each, local newspapers say.

In China, a former deputy mayor of Beijing, Wang Baosen, committed suicide two years ago when he came under scrutiny for having amassed $37 million in payoffs. In Japan, a former political boss, Shin Kanemaru, was arrested after a police raid on his home turned up cash and gold bars worth $25 million.

In Thailand, corruption has been a main reason for dissatisfaction with several Thai leaders, from Chatichai Choonhavan, in the early 1990s, to Prime Minister Banharn Silpa-archa, voted out last fall.



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Burmese Army Chief Is Mail-Bomb Target

Compiled by Our Staff From Dispatches

RANGOON — A mail bomb exploded in the home of a leading member of Burma's military government, killing his eldest daughter and setting off a renewed security alert in the capital, the government and diplomats said Monday.

The explosion at the home of Lieutenant General Tin Oo, second secretary of the State Law and Order Restoration Council and army chief of staff, occurred Sunday night.

A senior military officer said that the general was not wounded in the explosion, but that his eldest daughter, Cho Lei Oo, 34, was killed. A government statement did not say if the general had been at home at the time.

General Tin Oo was believed to have been the target of two bombs that exploded in December at a Rangoon pagoda, killing five people. The blasts occurred shortly after he visited the temple.

No one immediately claimed responsibility for the attack Sunday, and the government did not name any suspects. In the past, the government has attributed bombings to Communists, rebel groups and the pro-democracy leader Daw Aung San Suu Kyi. All deny such charges.

Heightened security was apparent Monday on Rangoon streets, mostly near General Tin Oo's home in a residential neighborhood. Troops and police stood on many streets. *(AP, Reuters)*

Cohen Solicits Japan Aid

Reuters

TOKYO — The U.S. defense secretary, William Cohen, arrived Monday in Tokyo to seek assurances of "noncombat" support from Japanese forces in a Korean conflict and to urge Japan to join Washington's missile defense initiative.

Mr. Cohen said that he would raise the matters with Prime Minister Ryutaro Hashimoto and top officials.

Mr. Cohen is making his first visit to Washington's chief ally in Asia since taking over as defense secretary.

The two countries are negotiating an update of their 1978 joint "defense guidelines" for security cooperation, a matter that also will be discussed by Mr. Hashimoto and President Bill Clinton in Washington this month.

Mr. Cohen was to meet the Defense Agency chief, Fumio Kyuma, on Monday for talks on Japanese participation in Washington's Theater Missile Defense effort. That program is to develop missiles, lasers and other weapons that might be used to destroy attacking missiles in flight.

Mr. Cohen praised Mr. Hashimoto's efforts to maintain support for the presence of 47,000 U.S. troops in Japan, more than half of whom are on the island of Okinawa.

BRIEFLY

Pakistan Food Stores Looted

PESHAWAR, Pakistan — Mobs attacked food stores and restaurants here Monday in the worst unrest of a food crisis caused by shortages of wheat flour, witnesses said.

Hundreds of people looted a large government-run food store, taking away grain and other items, they said. Other crowds looted food from several restaurants and shops in Peshawar, capital of North-West Frontier Province, the witnesses said.

The police moved into action with batons to disperse the crowds, who broke windows and caused other damage, a police official said. The shortage of flour has lasted for more than a month, despite emergency measures to increase supplies. *(AFP)*

Hong Kong Shows Confidence

HONG KONG — Most Hong Kong residents are confident that the territory will stay prosperous and stable after it reverts to China on July 1, results of a government poll showed Monday.

The data, released 85 days before Britain hands Hong Kong back to China, showed 76 percent of the respondents were satisfied with the present situation in the territory. The figure, up three points from a survey in January, came from a poll conducted by the Home Affairs Branch in March, the government said. *(Reuters)*

Indian Trucker Talks Collapse

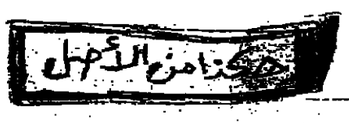
NEW DELHI — Talks between India's striking truck drivers and the government collapsed here Monday, leaving the country's transportation system paralyzed for the seventh consecutive day, officials said.

S.P. Singh, a spokesman of the All India Motor Transport Congress, said Transport Ministry and Finance Ministry officials had agreed to scrap a controversial tax but had set no date for its abolition. He said the strike would continue until the details were worked out. *(AFP)*

For the Record

China has withdrawn an exploratory oil rig in the South China Sea in an area disputed with Vietnam, a senior official with the China National Offshore Oil Corp. said Monday. *(AFP)*

A mudslide derailed a train southwest of Tokyo on Monday, injuring at least 22 people, the police said. The driver was seriously hurt when the four-car train, carrying about 60 passengers, went off the tracks but did not tip over, the police said. Other injuries were minor. *(AP)*



INTERNATIONAL

Lavish U.S. Embassy in Berlin Still a Dream

By Alan Cowell
New York Times Service

BERLIN — At the core of Berlin's regeneration — at least as far as the city's future pomp is concerned — is the Pariser Platz just east of the Brandenburg Gate, where today's dreamers envision tomorrow's celebrities taking the air, moguls rubbing shoulders with presidents, and pop stars and ambassadors — just like in the 1920s when the place had its heyday.

But one question that Berliners have begun to ask is this: Can the United States afford the ticket to the show?

A new American Embassy is to be built on a prime site on Pariser Platz where the Berlin wall once ran. But the project is on hold, its architects say, because of a shortage of money.

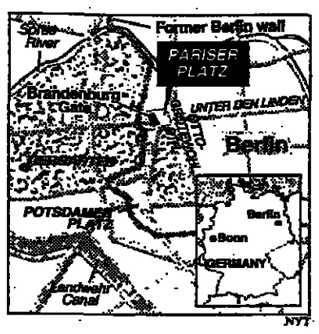
The plan has been to finance the embassy's construction from the sale of other American-owned properties in Germany, but money from the other transactions has been trickling in slowly.

Many people had expected that the embassy would be ready by 1999 — the date set by the German government for its historic move back to Berlin from the somnolent, Rhineside settlement of Bonn. Naturally enough, the idea was that a new American Embassy would be open for business by the time the government made its formal move — an emblem of American commitment to a reunified Germany at Europe's heart.

The symbolism is enhanced because the new embassy is to stand on the plot of land that was occupied by the prewar American Embassy in Berlin.

But sales of former American consulates and other real estate have apparently produced less revenue than the $120 million to $140 million price tag for the new building. No date has been fixed for the start of construction. American diplomats are reluctant to hazard a guess as to when the new embassy might be ready for use — even though, they say, the embassy staff will be ready for redeployment to Berlin by 1999.

Some Berliners have written to the newspapers here suggesting that if the United States cannot raise the cash, maybe the residents of this once-divided city should pass around the hat to help, in recognition of American



support during the Berlin airlift of 1949. The idea drew skeptical responses from other Berliners and Americans alike.

In the face of headlines like one in Die Welt recently saying that the new embassy would "shine as a construction gap" in the Pariser Platz, the American Embassy in Bonn has responded with a degree of diplomatic *harrumphing*.

"The fact is that we are going ahead with the process," said Elroy Carlson, an embassy spokesman in Bonn.

Engineering plans for the building are being drawn up. But, Mr. Carlson acknowledged, "what will probably happen is that people from the embassy and the embassy itself will move before the structure is completed" and will use existing U.S.-owned buildings — such as the former American Embassy in East Berlin — until the new building is complete.

The local representatives of the California architects who designed the building — Moore Ruble Yudell of Santa Monica — seemed more direct.

"The financing is not sure," said Eva Lunetto of the architectural firm Lunetto and Fischer. "The project is on hold at the moment. There's no go-ahead."

Arguably, U.S. diplomats say, the affair is just one more spin-off from the cuts at the State Department over the past 10 years that have slashed spending and representation abroad — the same austerity that underlay the plan to generate money for the new embassy without a congressional appropriation.

Equally, it is one more hiccup in Germany's decision after reunification seven years ago to move its capital back to Berlin at a cost of spiraling billions in construction contracts.

Even the German Parliament, set to move to Berlin in 1999, has been obliged to admit that its own accommodations will not be ready before 2000, so that, initially, it will be able to carry out only limited business after the ceremonies of 1999.

But ceremony is what the Pariser Platz is all about. It lies near the Brandenburg Gate at the western end of the broad, tree-lined boulevard that is the famous Unter den Linden. It looks across to the soaring turrets of the Reichstag, or Parliament, building.

It is a place built for parades and pomp — as they know very well at the 337-room Hotel Adlon, set to reopen in June as Germany's avowedly most luxurious hotel, 52 years after it was destroyed by fire just after the end of World War II.

"The walls here have steel plating to protect celebrities," said Ulrike Heesch, a spokeswoman for the hotel, the star-studded history of which is embedded in Berlin's prewar image as a European capital to rival Paris and London.

The Hotel Adlon's address is Pariser Platz 1. The address of its future neighbor, the American Embassy, is Pariser Platz 2.

"The windows are bulletproof," Miss Heesch said during a brief tour of the hotel's first-floor reception rooms.

There is even a small balcony designed for visiting dignitaries to acknowledge the crowds below — in a city renowned for the kind of protesters who threw tomatoes at the Pope several years ago.

The two presidential suites, she said, include rooms for bodyguards.

In one way, though, the troubled embassy project is not alone.

Berlin Mitte — as the area behind the Brandenburg Gate in the former East Berlin is called — is supposed to become a bustling heart of the reunified city, with luxury hotels, offices, stores, boutiques and restaurants, not to mention the embassies.

Here, said Miss Heesch, the international set will jet in for meetings and conferences, lobbying and wheeling and dealing.

But, while many new buildings have gone up apace in Berlin's construction boom, people have proved more resistant to the area.

Many new office blocks are only 30 percent to 40 percent occupied, said Klaus Kragel, a Berlin real estate analyst, although they are expected to fill up by the time the government gets here.

New, marble-lobbied five-star hotels are offering discounts to combat low occupancy. In the evenings, the streets are all but deserted in this capital-in-waiting.

And that same sense of a future not yet arrived seems to mark the vacant lot where the new embassy is supposed to stand.

Agence France-Presse

POLES APART — President Aleksander Kwasniewski of Poland, a former leading Communist, meeting with Pope John Paul II at the Vatican on Monday.

17 More Are Butchered in Algeria

Agence France-Presse

ALGIERS — Suspected Islamic extremists killed 17 more people in two massacres, Algerian newspapers reported Monday, bringing to more than 100 the number of civilians massacred by extremists since Thursday, according to newspaper estimates.

In Ain Lehdid, near Tiaret in northwest Algeria, 15 persons were found dead Sunday, the newspaper Liberte reported. Their throats had been cut.

The paper added that 13 farmers in the same region were abducted by an armed group the same day.

Another paper, El Watan, said that the head of an Islamic religious center in Sidi Abdelkrim, southwest of Algiers, and his nephew had been killed, their throats cut, Thursday.

On Sunday, newspapers said that more than 80 civilians had been killed Thursday and Friday, including 52 from the same village, by suspected Islamic guerrillas.

Most victims' throats were slit in the attacks but some people, including children and women, were decapitated with a chainsaw, according to witnesses cited by the papers.

The massacres occurred several weeks before the start of campaigning for elections on June 5.

Government forces have mounted a series of anti-terrorist sweeps since February. President Liamine Zeroual pledged the "extermination" of militants after the holy month of Ramadan left about 400 people murdered.

Newspapers have reported that more than 100 extremists have been killed in police and army operations, including several leaders of Islamic groups.

Islamic extremists have been fighting the military-backed regime since the cancellation in January 1992 of general elections that the fundamentalist Islamic Salvation Front expected to win. An estimated total of 60,000 people, mainly civilians, have died in violence since then.

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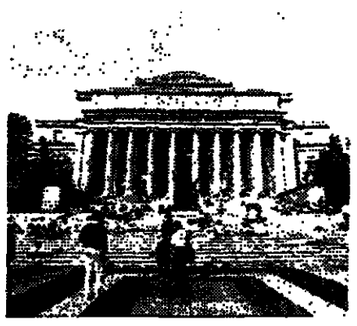

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Drugs Keep Coming

Despite a $20-billion interdiction effort over a decade, supplies of cocaine and heroin continue to flood in at a level more than adequate to meet the demand of American drug users. That is the dismal judgment of the General Accounting Office in a recently released report. The GAO, a research agency for Congress, blames the nation's lagging effort to control the flow of drugs on a lack of long-term strategic planning. The Clinton administration's latest budget request makes a start on addressing these shortcomings. Congress should follow and even enhance the new effort.

The GAO report notes that in 1995 only about 230 of the 780 metric tons of cocaine produced around the world were seized in America or abroad. That left more than enough to satisfy America's annual demand for about 300 metric tons. Only about 32 of some 300 metric tons of heroin produced in the same year were seized worldwide, again leaving much more than enough to satisfy America's annual demand for between 10 and 15 metric tons. Thus it is no surprise that, despite the seizures, the price and purity of cocaine and heroin available in America have remained fairly constant since 1990.

U.S. anti-drug efforts rely heavily on foreign governments to reduce the amount of drugs by eradication and crop substitution and prosecuting major traffickers. Unfortunately, the anti-drug programs of foreign governments are often corrupted by bribes made possible by enormous profits. The GAO report criticizes the United States for lacking a multiyear plan, for failing to coordinate anti-drug activities of several agencies and for failing to provide sustained and adequate financing.

The Clinton administration has announced plans to seek $16 billion for anti-drug efforts in 1998, an increase of $818 million, or 5.4 percent, over 1997. More than three-quarters of the new money will be directed at reducing demand, an issue not dealt with in the GAO report. The administration proposes to spend an additional $313 million on drug education aimed at young people, $244 million more on drug treatment, and $64 million more for safe and drug-free schools.

While the Clinton administration also proposes to put more money into interdiction at the border and eradication in source countries, reducing domestic demand is the best strategy for breaking the pattern of past failures in the anti-drug campaign.

— THE NEW YORK TIMES.

Seriously, '00' Won't Do

Even if the majority of the world's wired population can be made to focus on the problems that could affect their electronic gizmos when the year 2000 arrives, there is still the little matter of what to do about it.

After congressional hearings indicated that the potential scope of the problem is wider than previously thought — in addition to aged mainframe computers, the "year 2000" glitch now appears likely to be built into a vast assortment of ordinary consumer goods — the hearing's chairmen and the ranking minority members have sent a letter to some two dozen consumer safety agencies asking for reports by later this month on what private industry and the agencies themselves are doing to ensure "year-2000 compliance."

A partial list of the products that the legislators think might be affected reads like a checklist of the tools now believed indispensable to modern life. They include "security systems for badge readers, surveillance and home security systems, parking lot gates, and vaults ... telephone systems, automatic teller machines, medical devices, factory machinery, civilian and military avionics, process control and monitoring equipment, sprinkler systems, and air-conditioning systems."

The potential problem stems from the possibility that these products are running on timers or other microprocessing devices which depend on microchips manufactured with the two-digit "year fields" (97 for 1997, for example) that were standard equipment when the original, low-memory-storage designs were being developed. Products being manufactured now may still use older chips. And some of the ones with embedded two-digit timer systems rely on a cue that a previous operation took place smoothly — a cue that will be absent if the chip reads the year "00" as "1900."

"Compliance" means getting products off store shelves unless the manufacturers can demonstrate that they are using microchips with a four-digit year program that will make it past the millennium. Legal and liability costs could "double or triple" the amount of money required to fix the problem in the next 33 months, notes Representative Stephen Horn, and when you add these costs to the many billions estimated by some for fixing the large-computer-systems problem, "We are now talking real money." It is a gigantic task, dwarfed only by the chaos that could result if it is not tackled.

— THE WASHINGTON POST.

Keep the Net Free

Is the Internet a serious threat to children that justifies government censorship under a clumsy congressional concoction called the Communications Decency Act of 1996? Or is it a distinctive, democratizing forum for worldwide conversation warranting maximum First Amendment protection? The Supreme Court is now weighing these questions. It ought to reject the idea that the transmission of information on the Internet should be limited by the state.

The justices are to rule by summer on the constitutionality of the 1996 act, which would make it a felony to knowingly transmit indecent material over the Internet, where youngsters may see it. If the law stands, it would effectively reduce communication on the Internet to a level judged appropriate for children, and make inadvertent criminals of adults and children alike.

Congress held no hearings before adding these ill-advised Internet restrictions to a broader telecommunications bill. By striking them down, the court would honor free speech and send a useful message to lawmakers to tread carefully before intervening in this constitutionally sensitive realm.

The court has often seemed torn when addressing First Amendment issues in the context of new communications technologies. In a splintered decision in a cable television case last June, for example, it timidly declined to apply the strict scrutiny that usually is required for government regulation of speech content. At least four justices seemed to lean toward a dangerous approach that grants more leeway to control the message when a given technology reaches large numbers of people. Millions of Americans now have access to the Internet.

Fortunately, the justices have a sound blueprint to follow in last year's eloquent decision by a three-judge panel in Philadelphia that blocked enforcement of the 1996 act. After hearings which amounted to a crash course on the Internet, the panel correctly determined that Congress had placed unconstitutionally vague and overly broad restrictions on what adults can publish and see.

The panel rejected the government's argument that the Internet should be viewed similarly to television and radio broadcasting, for which some speech restrictions have been allowed. Its decision noted a critical difference. While children can come upon explicit material simply by turning on a television set, computer users must actively search out the material they want to see. As a practical matter, because the Internet is a global medium, no domestic law can effectively protect children from inappropriate material. And the availability of software that parents can use to block or filter transmissions means that the government has failed to meet its burden of regulating speech by the least restrictive means.

Last week's decision by the Supreme Court upholding content-neutral rules requiring cable broadcasters to carry local over-the-air broadcast stations was encouraging. The court split, 5 to 4, but the justices seemed unanimous that Congress must have a persuasive justification to impose content-based restrictions limiting free speech. On that ground, the Communications Decency Act surely fails.

— THE NEW YORK TIMES.

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The Big Issue Now Is Competent Governance

By Thomas L. Friedman

BRUSSELS — When Carlos Elbirt, head of the World Bank's office in Albania, was being evacuated a few weeks ago, an Albanian mob set upon his group of evacuees as they drove to the harbor. What Mr. Elbirt remembered most, he told me, was the thief who showed up, took out a "big, big gun," demanded the car of one of the evacuees and then sped away.

Ten minutes later, the thief returned and pointed the same gun at the same man, only this time demanded his license and car registration. The thief apparently had an inkling that if real law and order ever came to Albania, he might need the license.

Albania is a tragic but illuminating example of the new divide in world politics today. With the collapse of communism, virtually every country now has the same "hardware." That is, they have all adopted free market capitalism to one degree or another. But where they differ is in the "software" — the institutions of governance, be they regulatory bodies, a watchdog press, or uncorrupted courts, civil service, parliaments and police. After the Cold War, Albania adopted all the right hardware but had none of the software.

That is why it was logical that Albania's first post-Communist, free market government was brought down by Ponzi schemes. New to capitalism, Albanians were suckered into giving money to funds promising interest rates of 50 percent a month.

The Albanian government, both because it didn't know better and because many officials were caught up in the Ponzi fever, refused to close these funds before they inevitably collapsed, prompting Albanians to ransack their own country to get their money back.

A new divide in world politics – between democracies and kleptocracies.

Ponzi schemes are just capitalism without the software. Or, as one senior U.S. official put it to me: "People in Albania are dying today because of a lack of proper banking regulations."

This is the future. Now that everyone has the same hardware, countries that get the software right will become "free market democracies," run by democratic elites. Those that don't will become "free market kleptocracies," run directly or indirectly by mafia elites.

Albania is an extreme kleptocracy. Mexico, Russia, India, Colombia, Brazil and China all have the hardware right but are still short on the software. Given their endemic corruption, it is not clear whether they will become democracies or kleptocracies. In other words, they have the roads but will they get the traffic lights? Can they get what Deputy U.S. Treasury Secretary Lawrence Summers calls "the intangible infrastructure" — the rule of law that gives democratic capitalism its content and makes it fair and efficient?

"After the Cold War the assumption was that countries which adopted the hardware of democratic capitalism would inevitably develop the software. But adopting the hardware is the easy part because there's no credible alternative model in the world today," notes Jeffrey Garten, dean of Yale's School of Management and author of a smart new book on this subject, "The Big Ten: The Big Emerging Markets and How They Will Change Our Lives."

"It's getting the software that's the hard part, and whether they get it or not could become one of the biggest foreign policy issues facing America."

Indeed, if key countries that adopted the hardware of democratic capitalism don't get the software, it will have a huge impact on world financial markets, on world trade and on the internal stability of some of the world's most populous nations.

Think about it. What is the biggest worry about Hong Kong returning to China? It is not that Hong Kong will become Communist — China isn't Communist anymore — but that it will become a free market kleptocracy, which is where China is headed. What is the worry about Mexico? That its army, bureaucracy and courts are so corrupt that they will be impossible to reform.

Unfortunately, the Clinton team has yet to develop a coherent plan for dealing with this issue. I am currently visiting NATO headquarters. I can't help but think that future historians will laugh loud and long at the folly of the Clinton administration spending $40 billion to expand NATO after the Cold War.

Hey guys, the struggle between Communists and democrats is over. We won. Everyone's got our hardware. It's the struggle between kleptocrats and democrats that counts now, and for that America is wholly unprepared.

The New York Times.

Why Kohl Should Accept Postponement of Monetary Union

By Brian Beedham

LONDON — Never mind whether John Major has the faintest hope of winning Britain's elections on May 1, or whether Jacques Chirac is thinking of calling surprise parliamentary elections in France in early summer. By far the biggest political question in the Europe of 1997 is how Helmut Kohl, having at last announced that he intends to run for Germany's top job again next year, is going to cope with Europe's impending single-currency crisis.

He has two ways of trying to do it, and both of them are dangerous for his own future, for Germany's prized sense of solidarity, and for the belief that the assorted nations of Europe can somehow turn themselves into a single entity.

The European Idea's moment of truth is approaching, and Helmut Kohl more than anybody else will decide the outcome.

The heart of the matter is whether Germany can in 1997 meet the Maastricht treaty's rules for monetary union, in particular the rule that a country's budget deficit must not exceed 3 percent of its GDP.

A year ago that would have seemed an extraordinary question. Then the single-currency clouds lowered over Italy, France, Spain; for Germany, the road ahead looked sunlit. No longer.

Unless Mr. Kohl does one or the other of two very difficult things, most people now agree that Germany will have to blush and admit that it does not qualify for the single currency's planned start in 1999.

One of the two difficult things would be for him to grit his teeth and ruthlessly return to the task of slashing the German deficit down to the 3 percent mark. That would mean still more cuts in state spending, or still more taxes, or both those causes of pain.

It would increase the obvious threat to Mr. Kohl's re-election prospects next year — the anger of the German left.

Germany's trade unions are in a state of considerable dudgeon about plans to cut state spending and squeeze the welfare state. The dudgeon will grow if more deficit-cutting consigns more of their members to the ranks of the unemployed.

That would strengthen the opposition Social Democrats, who will be all the more tempted to go into next year's elections protesting that European monetary union is hurting honest German workers.

If he insists on no fudging before 1999, he will want the same sternness after 1999.

Yes, you say, but Germany's trade unions usually turn out to be an unferocious lot, and the Social Democrats generally bounce off Mr. Kohl's stout chest. Maybe. But this year's calculation is hazardous enough to make even a Kohl gulp.

And opposition to Mr. Kohl's get-it-down-to-3-percent option would not be confined to Germany. It would cause problems with France.

If Germany decides that 3 percent means 3 percent, and no fudging, it will be harder for France to try a fudge of its own. Italy will almost certainly be excluded from the single currency in 1999, since its deficit is pretty well bound to be unfudgeably over 3 percent. That will increase French dismay, because France needs Italy alongside it in the single-currency club in order to fend off Germany's demand for a serious post-1999 "stability pact."

Germany wants a system that will hold members of the single currency to a tight budget deficit limit after 1999, by exacting a stiff fine if they break the limit. The French (not to mention the Italians and others) want their budget subject to no such discipline.

If Mr. Kohl insists on stern no-fudging rules before 1999, he will want the sternness to continue after 1999. The French, without a helping Italian vote behind them, will then be in danger of seeing their budget slide out of French control.

A Kohl tough on budget deficits this year, in short, is a Kohl heading for a row not only with many of his own countrymen but also with his country's chief ally in the European endeavor, France.

To avoid this, the alternative is for Mr. Kohl to groan wearily and say that the Maastricht rules can after all be fudged: Nuts to 3 percent, it's too much trouble. But that is equally dangerous, in a different way.

It would be a relief for one set of Germans, as well as for countries like France and Italy. But it would arouse angry opposition from other Germans, the ones who say (correctly) that a fudged monetary union in 1999 would give Europe a weak currency and an unnecessarily damaging amount of inflation.

These Germans include many of Mr. Kohl's conservative supporters, and indeed many members of his cabinet and of the German economic establishment. All this year such people have been saying that there must be no fudging of the Maastricht rules.

If he goes for a sloppy currency union in 1999, the money markets will swoop.

If Mr. Kohl now says to go ahead and fudge, the anti-fudgers will be understandably worried. They can call on the support of many ordinary Germans, for the opinion polls still show a deep German reluctance to plunge into monetary union unless the new currency is going to be as solid as the Deutsche mark.

Here is the other, less obvious, danger to Mr. Kohl's hope of re-election next year. By opting for fudge, he could alienate many of his natural supporters, and go into the elections deprived of much of his present authority.

Nor, in that case, too, is the difficulty a purely German one. If Mr. Kohl goes for a sloppy currency union in 1999, in which Germany and Italy and other countries ignore the Maastricht rules, the international money markets will be hovering overhead like hawks.

There will be a three-year gap between the formal opening of monetary union and the final abolition of the old national currencies. During those years, the hawks can swoop murderously down on vulnerable targets. If they swoop successfully, Europeans who had wanted a safe transition to a solid European currency are not going to forgive Mr. Kohl for letting his personal sense of urgency put the whole project at risk.

Here are the Scylla and the Charybdis between which Mr. Kohl is trying to steer. He is a cunning navigator. He may still think that he can bring it off. But this is probably the trickiest piece of politics he has yet tried, and if it goes wrong the history books will say that his long chancellorship ended in spectacular failure.

Which is why it is not impossible that, surveying the facts, Chancellor Kohl will decide that his final act of statesmanship should be to protect Germany and Europe from division by accepting a postponement of monetary union.

He is the only man in Europe who can make that decision. If he does make it, he may be surprised how many sighs of relief he will hear around him.

International Herald Tribune.

After the Scoop Years, the News Business Is a Different Game

By Richard Harwood

WASHINGTON — Those of us of a certain age had the privilege and good luck to come into journalism in an era of perpetual crisis. It began with a world depression and a world war and ended roughly 45 years later with the collapse of communism and better dreams than the long nightmare of nuclear destruction.

It was a brutal time for humanity. But for "news" it was a golden age: long wars, short wars and pseudo wars, genocidal madness abroad and domestic inquisitions at home, social revolutions and domestic upheavals, assassinations, near assassinations, the Nixon disgrace, trips to the moon, missile silos on the Great Plains, hostages in Iran, chaos in the Middle East, disillusion, disintegration and ideological death in the Soviet empire.

These great events shaped the attitudes of journalists and the pictures of the world we carried around in our heads. They determined the organizational structure of newsrooms, "internationalized" their value systems, created a demand for specialists and a better-educated labor force.

Hardly a day passed without a "great story." Planning the front page was an uncomplicated exercise; the press had a clear agenda defined by "news" that was granite hard and universally relevant.

It has become necessary in this more placid era to create new agendas and missions that the American press is still struggling to define. News priorities are less obvious. Our audiences have new and more personal agendas, and many alternative sources of information and entertainment.

Great publicly owned corporations have largely replaced the family entrepreneurs who for so many years dominated the news business. Pulitzers, Chandlers, Grahams and Sulzbergers are still prominent in media affairs, but they are overshadowed in financial terms and in marketing objectives by new titans whose interest in "the news" is incidental at best.

General Electric, Westinghouse, Disney and an Australian conglomerate owned by Rupert Murdoch own the broadcasting networks. An oligarchy of chains owns most of the newspapers and magazines. Wall Street underwrites the mergers and technology of the industry and exerts great influence dictated by the interests of investors and shareholders in maximizing profits and efficiencies.

Echoes of the 'class warfare' of the 1930s are increasing.

Social changes and historic inevitabilities have altered the character, attitudes and values of the newsroom labor force. Editors, columnists, reporters and publishers in the era of perpetual crisis — most of them white males who were themselves actors in the wars and political upheavals of that time — have gone into retirement or died off, leaving the stage to younger generations molded by other experiences.

Women, minorities and specialists of a different kind — economic and business analysts and technological wizards, for example — are in great demand. Like the American people and the political class, obsessed for so many decades with issues of national security and survival, the press has "turned inward."

One of the oddities of this transition has been the reincarnation of a "news" menu that bears similarities to the menu of the 1930s. Crime is now a central ingredient of the news report and entertainment programming, especially in broadcasting. Cops-and-robbers shows, both fiction and "faction," dominate the news bulletins, many of the prime-time hours on television and often the front pages of the "quality" press.

Echoes of the "class warfare" of the '30s are increasingly present in the news. FDR's enemies, the "malefactors of great wealth," are in modern dress the overpaid CEOs who meet bottom-line goals through downsizing strategies that have thrown into the street millions of white- and blue-collar workers. Politicians and the media alike stress the plight of the middle class.

Inequities in income distribution, job insecurity and the condition of the poor and disadvantaged are common themes in the press, themes often rendered in the "sob sister" genre invented by Hearst and Pulitzer early in this century.

But in contrast to the past, the protagonists and "victims of the system" no longer read much about themselves. The audience for newspapers and magazines increasingly is upscale and elitist as the proletariat turns to television for soap opera fantasies and domestic comedies featuring singles and sex.

The business aspects of journalism have become a major concern of editors. An academic critic, Jay Rosen, asserts: "What has happened is that the practical demands, the production demands, have come to rule the intellectual life of the newsroom. We're talking about a system where nobody is reading, nobody is experimenting, nobody is lifted out of the routine."

The editor of the American Journalism Review, Rem Rider, writes: "Let's face it: The time when newspapers could really break much news is past ... In a world of 24-hour cable news and instantly updatable Web sites, it seems almost quaint to consider breaking news a major part of a newspaper's raison d'être." Our new task is to provide "analysis, context and depth" to events of the day.

Leonard Downie, executive editor of The Washington Post, described in a communication to the American Society of Newspaper Editors the myriad responsibilities of contemporary editors in this new age of news:

"How to find, hire and manage the best people. How to increase and utilize real diversity in our newsrooms. How to increase the depth, authority and relevance of our reporting, the power and readability of our writing, the storytelling impact of our photography and graphics.

"How to cooperate with circulation and advertising departments on new features and sections while maintaining editorial integrity. How to evaluate and cope with industry fads like public journalism and new-age newsroom reorganizations. How to integrate the printed newspaper with Internet sites. How to decide tough ethical questions and handle legal threats. How to enable our staffs and ourselves to enjoy our unique profession."

It is a heavy load for a business that once described itself as a "game" in which the "scoop" and the "hard news" handed to us for so many years by irrational forces of history set the agenda and were the central reasons for going to work in the morning.

The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Failing in Africa

LONDON — The *Times* says on the speech made by Mr. Morley: "He complains that the Powers have not so ordered their rule in Africa as to accomplish the aims they set themselves at the Conference of Berlin. They professed to enter upon their new dominions with the purpose of preserving the native tribes and of spreading Christianity and civilization among them. Captain Hinde's account of his cannibal soldiers in the Congo State is a curious commentary on these intentions. There can be little question, we fear, that slavery and cannibalism do extensively prevail to this day within this vast region."

1922: Secret Society

NEW-YORK — Gertrude Robinson Smith, president of the Vacation Association, said that her investigations of "the ways and wiles of the Society of Shifters" showed the organization to be more reprehensible than was supposed. "The prospective member of the Shifters is made to believe that she is asked to join a universal secret society to promote cordiality, particularly between sexes," she said. "The society badge serves as an invitation to flirtation and to intimacies that self-respecting girls would resent."

1947: Western Unity

STRASBOURG — General Charles de Gaulle, indirectly answering Leftist charges that he is an aspiring dictator, identified himself as a liberal in French domestic policy and an advocate of western European unity to balance the political and material conflict between the United States and Soviet Russia. Russia condemned the idea of a western European unity as a "hostile bloc."

OPINION/LETTERS

Why the West Should Embrace Russia-China Détente

By Jennifer Anderson and Gerald Segal

LONDON — As Chinese and Russian officials prepare for a summit meeting of their presidents later this month, the two sides will be emphasizing the importance of their year-old "strategic partnership." The West should remain cool — so cool that it should tell China and Russia that their détente is not only welcome but should be deepened.

Western policymakers can afford to be unperturbed by Chinese-Russian détente because it is so obviously sustained, restrained and complicated by the respective weaknesses of China and Russia. Growth in their bilateral trade has stalled, liberalization of cross-border contacts has been reversed and neither country has a confident policy in Central Asia.

Of course, the West does have some concern about Russia's transfer of defense technology to China. The air and naval weapons sold so far are not Russia's most advanced, nor are they a threat to Asia-Pacific nations that are aligned with the West. But they are directed against Taiwan and provide China with a vital technological advantage that will enhance its long-term plans to achieve self-sufficiency in military production and be able to project power a long way from its borders.

On the other hand, Western interests have benefited from the end of Chinese-Russian rivalry for North Korean favor, thereby making it easier to press Pyongyang to the negotiating table. The improvement in relations between Beijing and Moscow has also helped drive Japan closer to the United States, has ensured that Russia tries to resolve the impasse in its relations with Japan, and has made it possible to enlist Russian support in encouraging China to be more cooperative in international arms control, for example by signing the international treaty to ban nuclear weapons testing.

On balance, Chinese-Russian détente has been good for stability in Northeast Asia. As a result, Western powers can afford to press Beijing and Moscow to go further and faster. But the West has a barely coherent policy toward Russia, is deeply divided about China and has no real policy toward their bilateral relationship.

The main features that Western advocacy of closer Chinese-Russian ties could seek would be improved economic links between the two countries and greater transparency in their defense cooperation.

The current economic relationship is stagnating because it is seen primarily in bilateral terms, and Russia fears being swamped by China. If Moscow and Beijing tried to work their bilateral economic dealings, much of it barter, into a wider multilateral context — including compliance with the norms of international trade and finance — far more would be achieved.

Japan and South Korea would prefer to invest in a more predictable, open and less politicized environment. Given the rising oil and gas imports of China, South Korea and Japan, and the energy projects in the Russian Far East that are starved of capital, the energy sector could be a major area for future cooperation. Agreed goals for developing energy resources would also provide the kind of stability in Central Asia that would make Western firms more confident to invest.

Closer military links between China and Russia would enhance regional stability if they were achieved in an open manner consistent with global arms control standards. Unfortunately, the details of the border demarcation and demilitarization agreements to be signed by the two presidents later this month are expected to remain secret. As a result, they will allow Beijing and Moscow to fudge their differences.

Such secrecy will breed public distrust in both countries, fuel nationalist sentiments within Russia and postpone crucial decisions in China about opening its military affairs more widely to international scrutiny. There would be less international concern about Russian arms sales to China if it were more generally understood that they are no longer cutting-edge technologies.

In advocating closer Chinese-Russian ties, the West would be making the reasonable assumption that Moscow, far more than Beijing, is willing to accept the kind of global norms in economics, politics and security that the West values.

The West also assumes that Russia ultimately fears China, worries about potential Chinese dominance of the bilateral relationship and wants to work more closely with the West, particularly Japan. Such a strategy should include recognition of Russia's claims to membership of the Asia-Pacific Economic Cooperation forum.

If the West shows that it does not fear Chinese-Russian collaboration, Moscow may also see that the West does not wish to exclude it from international society. Russia's worries about NATO enlargement could ease as a result.

But the most important outcome would be that Russia would offer the West a new way to meet the challenge of bringing China into the international system as a more cooperative player.

Ms. Anderson is a research associate and Mr. Segal a senior fellow at the International Institute for Strategic Studies, in London. They contributed this comment to the International Herald Tribune.

'This is your captain speaking – we have been experiencing a little turbulence.'

LETTERS TO THE EDITOR

Patronizing Attitude

Regarding "Sorry, You're Still Wrong on NATO Expansion" (Opinion, March 25) by Thomas L. Friedman:

It does not matter that Russia "has a cabinet led by economic reformers," or that Poland, Hungary and the Czech Republic think NATO has not changed and Russia has not changed.

The most important fact is that these independent countries want to join NATO! Bringing in the Russian, and/or American, view and opinion only helps reiterate the Cold War neocolonial status quo. Why should Russians have anything to say about these countries joining NATO?

These three countries do not even border Russia, except for a small strip of land around Kaliningrad. How would Mr. Friedman feel if he was told not to join a neighborhood society because a guy living two blocks away does not like it? We should stop our patronizing attitude toward other countries.

RICHARD BALON.
Troy, Michigan.

Requiem for UPI

Like thousands of other journalists, I am an alumnus of United Press International. It made me weep into my lemonade to read *("New UPI Bets on Bite-Sized News," April 2)* about how the latest owners are further emasculating the place where we learned the craft of journalism — and how to have fun — all those years ago.

That they want to reduce things to the lowest common denominator is their own affair, I suppose. But if they want to produce sound bites instead of journalism, let them at least have the decency to abandon the UPI name and call themselves something different. How about McNews?

JOHN PARRY.
Geneva.

A Modest Proposal

Regarding "Making Millions on the Backs of Hungry Women" (Opinion, April 1) by Bob Herbert:

Mr. Herbert reports that Nike's young women workers in Vietnam must often go hungry. But he fails to recognize the subsequent benefits in terms of body image: Nike's workers are slender, and as they say, image is everything. Just ask Nike.

I have a modest proposal for Nike and other large corporations that have an eye to expanding in the Third World. Why not open up factories in North Korea, Ethiopia and Albania? The young women of those countries should also be able to take advantage of Nike's weight-loss program and learn the value of discipline and hard work.

Mind you, I would do away with those bathroom breaks.

MAURICE MOULIN.
Bern.

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Learning to Translate The Mekong's Waters

By Michael Richardson

PAK BENG, Laos — The Mekong River south of Houei Sai, the small town where we boarded our boat, was a broad highway of brown water that flowed smoothly between Laos and Thailand.

It was a friendly stretch of river. Vegetables grew in profusion on its silt-laden banks,

MEANWHILE

people fished from canoes close to shore and women in sarongs bathed while children played.

But a couple of hours out of Houei Sai, the river turned east into the heart of northern Laos, leaving Thailand behind. Its course narrowed as it entered a long valley, and the current quickened perceptibly.

In place of sand cliffs and flat alluvial plains on either side were densely forested mountains and riverbanks of jagged rock.

Like the other wooden riverboats that plied this section of the Mekong, ours had a lucky eye painted on either side of the prow. Twenty-one meters, she was built for river trading, not pleasure cruising. Her normal cargo was mulberry tree bark, sesame seed, palm sugar, tobacco, vegetables, farm animals, including water buffaloes, and their owners. There were no seats for passengers. The most comfortable position was on the tin roof of the cabin that ran almost the whole length of the boat.

Not the ideal choice, you might think, for traveling with your wife, one of your daughters, your half brother, the closest family friend and her two children. We were heading for Luang Prabang, the old Lao royal capital, 327 kilometers by river, or two days' journey, from Houei Sai.

Yet if we wanted to see this untamed and beautiful part of the Mekong, the only other option was to go at speeds of more than 40 kilometers per hour in an open, flat-bottomed boat powered by a noisy engine with a long propeller shaft extending from the stern. As we chugged along at a stately 17 kilometers per hour, some of these "long-tails" would roar past from time to time, their passengers wearing life jackets and motorcycle crash helmets.

Our boat seemed sturdy by comparison. But when we zigzagged through the first major rapids, with rocks perilously close on either side, I thought it was time to get to know the captain whose boat we had hired.

Xiang Kaen Chan greeted me in friendly fashion but didn't look up when I entered his cabin. In fact he seldom took his eyes from the water to glance at me during our conversation.

He explained that on a stretch of river that has no navigational aids or markers, and where the channels can change after heavy rain, "the most important thing is to watch the water and know how to avoid the submerged rocks and sandbars. You must read this river all the time."

Mr. Xiang has a wealth of experience on this stretch of the Mekong. He began his apprenticeship 39 years ago, at 17, becoming a captain in 1962.

I tried what he told me to do: look for the ominous churnings and dips in the water that signal an obstacle just below the surface. Yet he headed for parts that I would have avoided and avoided sections that I would have chosen. It seemed like awfully difficult detective work.

To avoid disaster, Mr. Xiang said, a river captain needed spiritual guidance as well as human skill. A framed color photograph of a Buddhist monk was pinned on a wall of the cabin.

"This monk is a wise and holy man," Mr. Xiang said. "I have visited him three times in his monastery in Burma. Now I think he helps to guide me on the right course."

On another wall was a small altar with joss sticks, balls of rice, knotted string and a piece of rare forest wood. "These are offerings to the spirit of the boat and the spirit of the river," Mr. Xiang said. "They, too, have helped me to escape a fatal accident."

A kind of insurance and reinsurance, I thought, as we passed harmlessly through another set of rapids.

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INTERNATIONAL

Q & A / Guido Di Tella

Argentina Forges Closer U.S. Ties

Guido Di Tella has been the Argentine minister of foreign relations and international trade since 1991. A former defense minister, he holds a doctorate in economics from the Massachusetts Institute of Technology and has written extensively on economic development. During an official visit to Washington, he spoke with Brian Knowlton of the International Herald Tribune.

Q. Argentina is hoping to negotiate with the United States a relationship known as Major Non-NATO Ally, comparable to U.S. agreements with Japan, Israel, South Korea, Australia and some other countries. What did Secretary of State Madeleine Albright tell you about that?

A. The possibility of our qualifying as a major extra-NATO partner is very pleasing. There are procedural problems that remain to be solved. We are interested, but it's not life or death.

Q. Some of your neighbors have concerns about the possibility of Argentina acquiring new weapons, possibly fighter jets.

A. Well, that would be unwarranted, because we did not press — on the contrary — we pressed the American government *not* to start too quickly the sale of sophisticated arms, because we don't want them and we don't need them and we don't have the money to pay for them.

We're not in any plan of weapons-building. Armies have to be equipped and maintained; we're not going to go crazy about it. The security of our country is based fundamentally on the very good relations we have with Chile, with Brazil.

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Q. Did U.S. officials indicate to you whether the Clinton administration has decided on sales of advanced arms to Latin American countries?

A. Mrs. Albright has affirmed that no decision has been taken yet. If they do so with one country, of course, that moves the whole thing to a new ball game.

Q. Your government is still hoping to have Argentine flags flying over the Falkland Islands, or Malvinas as you call them, by the year 2000 — 18 years after the war there with Britain. Would the arrival of a Labour government in Britain give new impetus to the talks on sovereignty, oil rights and other matters?

A. No. We don't think there's going to be a significant difference between the Tory government and the Labour government on this. Under the Tory government, we've been able to advance quite a lot, at least with respect to understanding the limits. As to the elections, we want the person who wins, whoever it is, to win by a big majority, because then he can negotiate.

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Q. Economic growth in Latin America has gone through some turbulence in recent years. How optimistic are you that it will continue in the long run?

A. By 2010, U.S. trade with Latin America could surpass its trade with Europe and Japan. In the next century, two regions that were not so important before are going to become important — the Pacific Rim nations, which have been growing by about 8 to 9 percent a year, and Latin America, which has been growing at a rate of 7 percent. By 2005, the population of Argentina will be the same as that of Spain. We'll have a level of importance similar to that of Spain.

Q. Since the Mexican peso crisis, the International Monetary Fund has been keeping closer tabs on daily economic events in Latin America. Your country has an Internet site toward this end. Do you feel comfortable that a new crisis can be avoided?

A. We feel very comfortable, and very sure that if there is a crisis, we can tackle it much better than before. We're not problem-free, but we're very pleased with the way our economy is doing. The region in general is behaving very well.

Q. The recent rise in U.S. interest rates here caused stocks to drop momentarily in Argentina, but they rebounded quickly. The Argentine economy has always been closely related to the U.S. economy. Is your economic base much more independent than a few years ago?

A. Naturally. It's much stronger. We have a different trade situation, a different ratio of indebtedness to GDP. It's a completely different story.

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Q. Mercosur, a relatively young trade grouping involving Argentina, Brazil and some other Latin American countries, is growing. A Mercosur meeting with European Union officials is coming up. How important is the new grouping?

A. Mercosur has had an absolutely spectacular success. The EU meeting Monday and Tuesday in Holland, we hope will be a stepping stone for the Southern Cone region toward greater freedom of trade. Our goal is that by the year 2005, all the hemisphere would be a free-trade zone.

Q. Won't this be easier said than done?

A. Getting more than 30 countries to agree to a free-trade zone? It's not going to be a simple task.

Carole Devillers/Reuters

President Rene Preval showing his ink-stained thumb after he voted. Foreign monitors said they were surprised by the paucity of the turnout.

'Minimal' Turnout In Haiti Elections Hints at Discontent

Reuters

PORT-AU-PRINCE, Haiti — Haitians stayed away in huge numbers from Senate and local elections in the poorest country in the Americas.

The undeclared boycott Sunday of the fifth election in Haiti since a military regime was ousted in 1994 showed a deep disillusionment with the country's politics and frustration that life is becoming even more difficult.

A low turnout had been expected, but foreign monitors said they were surprised by how low it was. One said the most voters she had seen in a polling place at the same time was 11.

"You could say 'minimal' would be an accurate description," said Michael Magan of the International Republican Institute, a private U.S. organization that monitored the election. Turnout appeared to higher in the countryside, he added.

Alexandre Lavaux, secretary-general of the Provisional Electoral Council, did not have a total turnout figure, but he said there had been no serious outbreaks of violence.

More than 4 million people were registered to vote, according to council figures. At stake were two seats in the Chamber of Deputies, nine seats in the 27-seat Senate, 133 town delegations and 565 district assemblies.

President Rene Preval voted in mid-morning in the capital, Port-au-Prince, saying: "This is an important moment. It expresses the will of the nation."

Much of the anger is focused on his plans to have state services taken over by private companies. Such moves are backed by international donors but could cause job losses. About 70 percent of the country's work force is unemployed, and average yearly income is $250.

BOOKS

ALBERT EINSTEIN: A Biography

By Albrecht Folsing. Translated from German by Ewald Osers. 882 pages. $34.95. Viking.

Reviewed by Marcia Bartusiak

THE intellectual revolutionaries of society, according to a new study, are more likely to be later-borns. Albert Einstein belies that dictum. A first-born son, he was born to rebel. He apparently didn't talk until the age of 3, stubbornly waiting until he could speak in complete sentences. Later, he broke all the rules (and even a few hearts) on his way to refashioning the laws of space and time. With this massive biography, ably translated from German by Ewald Osers, Albrecht Folsing shows us a man who could be outwardly simple, even peasantlike at times, yet remain inwardly shrewd and complex.

In this age of revisionism, the titans of both art and science are toppling off their pedestals, as historians re-examine old evidence and unearth new materials. Einstein, the physicist who turned formula, $E=MC^2$, into a trademark, is no exception. The prevailing image of Einstein has long been that of the venerable elder, the Chaplinesque figure with baggy sweater and fright-wig coiffure. Folsing offers a provocative portrait less familiar to the public: the youthful Einstein at the height of his scientific prowess. We see a man whose limpid brown eyes, wavy hair, sensuous mouth, and virtuosity on the violin aroused attention, especially among women. One acquaintance compared Einstein's demeanor to that of a young Beethoven, full of life and laughter. Yet, like the great romantic composer, this century's most celebrated scientist also had his dark side: He was a loner, a sharp-tongued cynic, a self-centered man who could serve humanity yet express little empathy for the problems of those close to him. When the younger of his two sons was hospitalized for schizophrenia in 1933, Einstein made one visit and never saw him again.

What remains untouched and immutable, amidst these personal revelations, is the overwhelming import of Einstein's insights on physics. His key amendments to the cosmic code were exceptionally perceptive, and Folsing traces their roots to Einstein's childhood musings.

Albert Einstein was born in 1879 into a nonreligious Jewish family, one well assimilated into the culture of southern Germany for more than two centuries. His father ran, with mixed success, an electrical engineering company, the high-tech business of its time. Growing up with his younger sister Maja, little Albert loved doing puzzles, building structures, and most especially solving geometry problems, the very key to his later work. And he didn't suffer fools gladly: He dropped out of school because of conflicts with a teacher, among other reasons.

Fortunately, he was able to enroll in a Swiss university, Zurich Polytechnic, where he met his first wife, Mileva Maric, a fellow physics student. Folsing discusses the recent disclosure that garnered news headlines: the daughter born to Mileva and Einstein before their marriage and then given away, her fate unknown to this day. But he refuses to deal with the rumors that Mileva contributed to Einstein's special theory of relativity. Such claims are simply "devoid of any foundation," the author curtly declares in a note at the back of the book.

Einstein turned cold and indifferent in wedlock, which drove Mileva to fits of melancholia and jealousy. Einstein found comfort with his cousin Elsa, who became his second wife (but not his last romantic fling). While Folsing is not shy in airing these domestic episodes, he has carefully chosen to stress Einstein's work instead. "Physics was at the core of his identity," contends Folsing, "and only through physics can we get close to him."

Einstein was a man of contradictions. He was a humanitarian, yet a lone wolf who admitted he lacked "a need to attach himself . . . to individuals." He was a pacifist who defended the infamous show trials in the Soviet Union during Stalin's reign of terror in the 1930s and invented a gyrocompass used in World War II military ships.

At times engaging, often challenging, Folsing's biography helps us understand that wisdom. It is Einstein's physics that will live on for millennia.

Marcia Bartusiak, a contributing editor of Discover magazine, wrote this for The Washington Post.

CHESS

By Robert Byrne

JOEL Lautier was born in Montreal and immigrated to France. He is France's top player. His most recent exploit was to win the Ubeda, Spain, International Tournament, where he won a hard-fought scrap with his closest rival, Alexander Beljavsky.

Akiba Rubinstein's 5 Ne2 against the Nimzo-Indian Defense is an attempt to show that 4...Bb4 can be denied its motifs of doubling pawns by ...Bc3 bc or by exerting pressure to prevent White from achieving an aggressive center.

One of the most spirited countermeasures against it, 5...cd 6 ed d5 7 c5 Ne4 8 Bd2 Nd2 9 Qd2 a5 10 a3 Bc3 11 Nc3 a4, received a hard blow in an R. Sherbakov-R.B. Ramesh game from Linares, Spain, 1996. Thus, 12 Bd3 Bd7 13 O-O Nc6 14 Bc2 Ne7 15 Qg5! gave Black serious problems.

The method that Beljavsky chose with 5...b6 6 a3 Ba5 7 Rb1 Na6 is an elaborate attempt to maintain the tension on the queenside.

Beljavsky, as White played 7 Bd2 O-O 8 Ng3 against Oleg Romanishin in the Yerevan Olympiad, 1996, and analyzed 8...Bb7 9 Bd3 Bg2 10 Rg1 Bb7 11 b4! cb 12 Nce4 Ne4 13 Ne4 b3 14 Ba ba 15 Nd6 Qc7 16 Bh7! Kh7 17 Qh5 Kg8 18 Rg7! Kg7 19 Kd2! as a forced win for White. So when Lautier offered a similar gambit with 7 Rb1 Na6 8 Bd2 O-O 9 Ng3 Bb7 10 Bd3, he declined it.

Opening the center with 10...d5 11 cd cd 12 ed Bc3 13 bc Qd5 was reasonable, but after 14 Qe2 Nc7 15 f3, he should have played 15...Qd6. His bold alternative, 15...e5?! was a pawn sacrifice that he did not succeed in justifying.

After 19...Ng4, Beljavsky threatened 20...Qg2! 21 Qg2 Bg2 22 Kg2 Rd2, but Lautier's defense with 20 Rb2 held. If 19...Qg2 20 Qg2 Bg2, then 21 Kg2 Rd2 22 Kf3 Nd7 23 Rbd1 Rd1 24 Rd1 yields White endgame superiority.

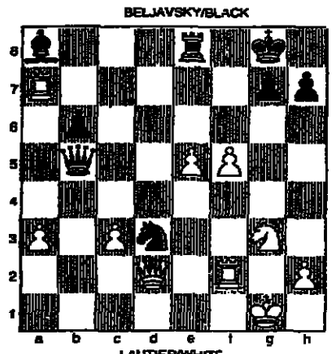
Beljavsky had looked forward to 21...Rd2 22 Rd2 Ne3, but he had not seen far enough. He was not prepared for Lautier's clever counterstroke, 23 Bf7!, a central point being that after 23...Kf7 24 Rd7 Re7 25 Re7 Ke7 26 Qe3! Qe3 27 Nf5, White wins easily.

After 25 Rg1, Beljavsky could have pulled back with 25...Nc4, but then 26 Nf5 g6 27 Qg4! would produce a winning mating attack. So he tried 25...Ng2 26 Rg2 Qc6, but after 27 Qd2 Ne6 28 Nh5 Ba8 29 Kg1 Qc5 30 Rf2 Kg8 31 Ng3 Qb5 32 f5 Nc5 33 Ra7 Nd3 34 f6!, Beljavsky gave up. There was no defense: 34...gf is crushed by 35 Qh6.

NIMZO-INDIAN DEFENSE

White Lautier	Black Beljavsky	White Lautier	Black Beljavsky
1 d4	Nf6	18 f4	Rad8
2 c4	e6	19 0-0	Ng4
3 Nc3	Bb4	20 Rb2	Qc5
4 e3	c5	21 Kh1	Rd2
5 Nge2	b6	22 Rd2	Ne3
6 a3	Ba5	23 Bf7	Kf7
7 Rb1	Na6	24 Rd7	Kf8
8 Bd2	0-0	25 Rg1	Ng2
9 Ng3	Bb7	26 Rg2	Qc6
10 Bd3	d5	27 Qd2	Ne6
11 cd	cd	28 Nh5	Ba8
12 ed	Bc3	29 Kg1	Qc5
13 bc	Qd5	30 Rf2	Kg8
14 Qe2	Nc7	31 Ng3	Qb5
15 f3	e5	32 f5	Nc5
16 Bc4	Qc6	33 Ra7	Nd3
17 de	Rfe8	34 f6	Resigns

BELJAVSKY/BLACK



LAUTIER/WHITE

Position after 33 . . . Nd3

A Vow to 'Name Names' in Guatemala

By Larry Rohter
New York Times Service

GUATEMALA CITY — Alarmed by an amnesty law they regard as a whitewash, and skeptical of a new official commission that is supposed to look into three decades of politically related massacres, kidnappings and torture, human rights groups in Guatemala have undertaken their own parallel effort to document such abuses and to render a "moral judgment" on those responsible.

The Project to Recover Historical Memory, sponsored by the Roman Catholic Church's human rights office, has since 1995 been interviewing victims and survivors of some of the worst incidents in Guatemala's 36-year civil war, which formally ended in December.

The intent was to compile a comprehensive record, and now that peace has finally come, those involved are more thankful than ever that they did.

"We are stuck with an amnesty law that I consider to be shameful, one that wants to pardon everyone but is afraid to say so outright," said Edgar Gutierrez, coordinator of the project. "The provisions for accountability also look to be extremely weak, but we, unlike others, intend to name names and allow the victims to obtain some release for their suffering."

In mid-December, the Guatemalan Congress approved a law that calls for courts to rule on petitions for amnesty by soldiers and guerrillas on a case-by-case basis.

Two weeks later, the government and leftist rebels signed a final peace agreement that includes the establishment of a Commission for Historical Clarification to produce a definitive account of the abuses committed during the war.

But human rights campaigners are distressed by what they see as the very limited mandate and resources of the commission. They say that a three-member panel is too small and that the tentative six-month deadline for it to finish its investigation and write a report is much too rushed.

"We have more than 150,000 dead and missing from a conflict that lasted for 36 years," said Karen Fischer, a lawyer and leader of the Alliance Against Impunity, a coalition of human rights groups.

"Three people cannot hope to deal with all of that in six months," she said.

In addition, the commission, at least initially, has a budget of only $50,000, which is to come not from the government but from private, foreign organizations.

But perhaps the gravest problem, as human rights groups in Guatemala see it, is that the commission will not affix individual responsibility for crimes because its charter does not permit it to do so.

"We are neither judges nor hangmen," said Otilia Lux de Coti, a prominent Mayan educator who is a member of the commission, "but a team picked to adhere to certain criteria." Those she defined as "bearing historical witness."

For Ms. Fischer and many others still mourning the loss of relatives or close friends, that is not enough. Her father-in-law, Jorge Carpio Nicolle, a prominent newspaper publisher, member of Congress and former presidential candidate, was shot and killed in a highway ambush in 1993 by members of a paramilitary squadron that reported to the Guatemalan armed forces.

"It seems ridiculous to me that they are going to say that the army killed Jorge Carpio Nicolle," Ms. Fischer said. "All of Guatemala already knows that."

But Mrs. Coti asserts that the commission's broad-brush approach is the best way to bring about reconciliation while also acknowledging the historical record.

"There are too many cases, and our resources are few, so we must prioritize," she said. Even without naming names, she said, "we can learn lessons and reflect."

But Mr. Gutierrez said bitterness would remain until surviving victims and their relatives saw some sort of justice done, whether formal or symbolic.

"Our aim is to identify the victimizers in order to dignify their victims," he said, while preparing dossiers that can be used in judicial proceedings against human rights abusers.

In the last two years, he said, about 800 volunteer workers have interviewed more than 5,000 people, mostly in small Indian villages scattered across the country. The taped interviews, about three-quarters of which were conducted in Mayan languages, have been transcribed into Spanish and will be collated into a two-volume document that is expected to be published this summer.

Thus far, the project, which is financed by donations from Scandinavian countries, has documented 483 mass killings. It has also received information about the locations of more than 300 clandestine cemeteries, which has led to exhumations in several areas.

At the same time, a coalition of 27 human rights groups is pooling files from about 10,000 cases of execution, forced disappearance and torture collected over 20 years. It plans to publish the information after making it available to the official commission.

BRIEFLY

Iran to Sue German Companies

TEHRAN — Iran said Monday it was preparing to sue 24 German companies for providing Iraq with chemical weapons or technology during its 1980-1988 war against the Islamic republic.

Mohammed Reza Abbasi-Fard, deputy head of the judiciary for executive affairs, said the defendants would be called to appear in a Tehran court shortly. He did not give a date.

The official Iranian press agency, IRNA, quoted him as saying that more than 1,000 relatives of victims of chemical attacks had filed complaints against the companies. *(AFP)*

Nigeria Is Forced to Import Fuel

LAGOS — Nigeria was forced Monday to allow fuel imports, as much of the oil-producing country slowed to a near-standstill from a two-week-old fuel shortage.

An official of the state-run Nigerian National Petroleum Corp. said the military government had given the green light for the first gasoline imports since September.

Many people in Lagos, Nigeria's biggest city, stayed home or were stranded at bus stops. There were long lines at the few filling stations still open in the city.

Fuel shortages occur frequently in Nigeria, but they usually do not last more than a few days. There has been no definitive explanation of the cause of the current shortage. *(Reuters)*

A Way Out for Peruvian Rebels?

TOKYO — The Peruvian government has proposed an escape route to allow leftist rebels holding 72 hostages in the Japanese ambassador's residence in Lima to leave the country, a Peruvian leader said here Monday.

"The rebels know that President Fujimori is preparing an exit for them," the Peruvian Congress president, Victor Joy Way Rojas, was quoted by the Jiji Press news agency as telling Japanese Parliament leaders. *(AFP)*

Colombia Oil Executive Is Freed

BOGOTA — Guerrillas freed a top oil executive and friend of President Ernesto Samper after holding him hostage for 16 months, Radio Caracol reported.

Alfonso Manrique, an executive of the state oil company, Ecopetrol, was released Sunday evening by guerrillas of the Colombian Revolutionary Armed Forces. It was unclear whether a ransom had been paid.

"It was like being born again," he told the radio, adding that he was in good physical condition. *(AFP)*

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Cloning of Cool: America Takes On a European Look

By Suzy Menkes
International Herald Tribune

NEW YORK — A slash like a tribal marking scars each eyebrow. A sharp leather jacket is shrugged on over a short, silky jersey dress. Wide, mannish pants, slung low from the hips, land in a puddle over the feet. That is fashion's identikit look on the American runways. Let's call it the cloning of cool.

Donna Karan and Donatella Versace opened the New York season with shows that were so similar that some pieces — let alone the tribal makeup and straggly hairdos — were hard to tell apart. The same soulful black dominated; there was a similar punky edge in the penchant for black leather. So Versace's Versus line had boot shoes rising at the ankle-front and Karan's D line had mules? Vive la Difference!

These shows are third offshoots of the designers' signature lines and the clothes are made as separates mixed together in a hip way. But their visceral connection to the aesthetics of Helmut Lang and Ann Demeulemeester — with a dash of Gucci's panache and Jil Sander's modernism — raises a question: Even if the fashion assimilation is smoothly done, how hot is secondhand cool?

The idea that one designer starts a trend and others follow to some extent defines what fashion is. But we are not talking here just silhouettes, colors and fabrics, but a cloning of the soul of a show.

Take Patti Smith, whose powerful, tousled, lugubrious femininity has made her an icon of the 1970s revival. Demeulemeester may not own that fashion territory, but the Belgian designer was the first to reintroduce the slouchy masculine-embraces-feminine style. Seeing Versace do not just the baggy pant but the messy hair and watching Karan expressing the same sensibility looked like designers in borrowed clothes.

The same is true of the presentations, which owe most to Lang. Just as Calvin Klein last season had his models walk Lang-style around a white art gallery, so did Versace, whose sheer silky sweaters, bandeau tops and New Age sequins were also Lang-inspired.

So these were terrible shows? No. For both designers still have an aura of their own. The British rock band Republica blasted away at the Versus show, while Gianni Versace sat front row with grunge star-turned-actress Courtney Love and Donatella led the models out to take a bow. Other paparazzi fodder included the artist formerly known as Prince, holding his-and-hers flower-stenciled hands with his wife, Mayte.

Familiar clothes were given an edge, with flashes of chrome yellow for brief tailored coats or as wasp-like stripes on fuzzy mohair knits. The back-to-the-'80's feel meant dresses that were thigh-high or split and shoulders forming right angles, among other asymmetric cuts in soft jersey fabrics.

The derivative looks at D were often more in the assemblage, like the sweater tucked in at one side of a hip-slung skirt (the current runway cliché). Strong individual pieces included coats with funnel necklines, ankle-length skirts cut like cargo pants and leather jackets, worn over dresses cut on the bias. Karan had worked at the fabrics, using ink blot and leaf patterns as arty effects.

"Cool, I love it — and I want to be a part of it," Karan said after the show.

AND so do they all. Out came the tucked-at-one-hip sweater at BCBG, a Los Angeles company. It was followed by takes on that other cornerstone of fashion cool: Prada. Think chiffon dresses under tweed coats, geometric color-block patterns and the now inevitable sequined tops mixed with heavier fabrics. Some of these variations on the original theme may be more accessible and appealing to potential customers. But in the early shows, American fashion, having recently established a strong, independent identity, seems to be bringing on the European clones.

Moore/Thomas

At left, sweater, shiny leather skirt and Patti Smith hairdo from Versus, and leather jacket and slouchy pants from D.

At 'The Last Party,' Sex, Nightlife and the End of 'Innocent Abandon'

Christopher Moore

Serge and Tatiana Sorokko with photograph of Andy Warhol at "The Last Party" exhibition.

International Herald Tribune

NEW YORK — They are the queens — and the drag queens — of the night. Here is Bianca Jagger riding into Studio 54 on a white horse in 1977 to detonate a hedonistic party scene that celebrates 20 years in April. There is a bloated Liz Taylor, a bleary Liza Minnelli and the doomed designer Halston, caught by the camera in an era when people partied until they dropped. Then they stopped.

"The Last Party" is the title of an exhibition of arresting images of the night world at the newly opened Serge Sorokko Gallery (430 West Broadway, until May 3). And also of a book by Anthony Haden-Guest, "Studio 54, Disco and the Culture of the Night" (William Morrow & Co.).

Both document an era that is over — killed by AIDS and destroyed by the loss of what Haden-Guest calls "an innocent abandon." Although among the photographs is an exuberant 1989 shot of a group leaping into a rippling swimming pool in St. Bart's. And also of an S&M scene taken in 1990s Berlin.

"The whole sexual thing has exploded in Eastern Europe and Russia, and they are doing now what we used to do in the 1970s," says the Russian-born Sorokko, who lives in San Francisco with his wife, the model Tatiana.

Sex is at the heart of nightlife. You can hear it throbbing in the beat of the club-scene videos, on show in the gallery and put together as research for the film about Jean-Michel Basquiat — another doomed soul. Sex is explicit in a vintage Helmut Newton image: nude woman in open fur coat caught in the lights of a Paris street. It is blatant in shots of leather-strapped males swigging beer or Diane Arbus's pathetic 1970s image of dancing drag queens in tacky feathers. It is sweet and fresh when a couple are captured in rapturous laughter at the El Morocco club in 1955. The night world can also be poetic. In Brassaï's overhead shot of the Folies Bergere in 1932, three dancers are spread-eagled on the stage like grounded fairies.

> *The night world can also be poetic.*

You come to recognize the cast of characters: "The Gang of Four" as Bianca Jagger, Halston, Minnelli and Andy Warhol were dubbed by photographer Christopher Makos in 1978. The ever-present Steve Rubell, cheerleader of Studio 54 and its depravities. The perky club owner, Nell Campbell. The occasional guest, like Valentino, caught in the lens of Roxanne Lowit in ringmaster gear in 1978.

"It's the energy of the moment, the intensity, the fun, the strangeness, the beauty and the timelessness — that's what makes a great party picture," said Lowit, as she plied her trade at Gianni Versace's after-show party. She saw the end of the great party era as both the rejection of the "free love" philosophy and the arrival of the posed "photo opportunity."

"The Last Party" is a fascinating exhibition because of the wide variety of its 60 different photographers and 300 images, excellently orchestrated and hung. But also because it captures its subjects unselfconsciously. In that, it pinions a butterfly moment of social history.

Suzy Menkes

Surfing a Wave of Fashion and Art

International Herald Tribune

NEW YORK — Think of it as a Web address: art.fash. And imagine surfing anything from a museum exhibition through a photography show to an art gallery as fashion venue.

Not since the 1960s have the links between art and fashion been so tightly forged. And just to reinforce that message, Gianni Versace said Saturday that he was in discussions with the Andy Warhol Museum in Pittsburgh about contributing to a New York show at the Whitney Museum of American Art, provisionally titled "Andy Warhol: Fashion Show."

The melding of fashion and art is shown in several ways. Physically, fashion is encroaching on the art world in New York as designer stores take over the once bohemian SoHo. Psychologically, there is an emphasis on the artistic side by fashion folk who are trying to get out of the minimalist impasse by referencing cubism, futurism or modernism.

On the artists' side, they are exploring the craft of fashion such as textiles or even knits. And photographers are knocking at the doors of the ateliers, expecting that their fashion work will be accepted as art.

"Art/Fashion" is the title of the exhibition that opened last week at the Guggenheim Museum SoHo (until June 8) — a reprise of the wide-ranging, citywide Biennale di Firenze, held in Florence last year.

This New York season also sees the opening of exhibitions exploring the boundaries of fashion photography — whether it is the morphing of wooden and flesh-and-blood horses by Steven Klein (at the downtown Staley-Wise Gallery on Mercer Street) or the computer-enhanced images of Inez Van Lamsweerde and Vinoodh Matadin.

That show is at the Matthew Marks Gallery on 24th Street in Chelsea, the new hot spot for art galleries, since the SoHo invasion by fashion shops from A/X Armani through Banana Republic to Miu Miu, and imminently D&G.

"Both worlds have cooked together — and looking back, this is going to seem like an interesting moment," says Ingrid Sischy, editor in chief of Interview magazine and a co-curator of the Guggenheim show.

Christopher Moore

Displays in "Art/Fashion" at the Guggenheim Museum SoHo.

The exhibition traces fashion and art from its explosion in the 1920s, when Sonia Delaunay's geometric blocks and stripes mirrored innovative flat-plane clothes, through Elsa Schiaparelli's collaborations with Jean Cocteau and Salvador Dali in the 1930s, to the bold and experimental cutouts and Pop Art images in the 1960s. Memorable pieces include dangling on strings from the ceiling Lucio Fontana's 1960s geometric cutouts, as well as a color-blocked dress by Ellsworth Kelly and Warhol's famous "Fragile, Handle With Care" wrapping-paper dress. In the 1990s, Judith Shea re-creates the Venus de Milo trailing a length of chintz.

"It is fascinating that it is happening on both sides," says Sischy.

"Fashion is finding something in art because all its traditional formulas had been depleted. Even in terms of proportion, fashion had got stuck, so it has turned to asymmetry.

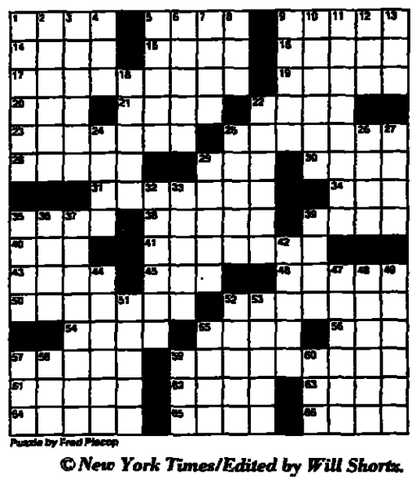
"New palettes mean colors that once didn't 'go together.' Real art has always been about breaking that stuff."

S.M.

CROSSWORD

ACROSS
1 Singer-actress Lane
5 "—— Mia" (1965 hit)
9 Choreographer Agnes de ——
14 Watery
15 Stratford-Avon link
16 Firefighter Red
17 TV/film actor Jack
19 Comparatively modern
20 Scott's "—— Roy"
21 Got a move on
22 Honeybunch
23 Humdingers
25 Octave followers, in sonnets
28 It's hoisted in a pub
29 T'ai —— ch'uan
30 Phillips University site
31 Writer Jack
34 Form 1040 completer
35 Scourge
38 Idolize
39 Escritoire
40 "Boola Boola" singer
41 Pugilist Jack
43 Savoir-faire
45 Skater Midori
46 Superaggressive one
50 Barrow residents
52 Licked boots?
54 Grasslands
55 Crash diet
56 Absorbed, as an expense
57 AOL memos
59 Movie actor Jack
61 Haggard
62 "Garfield" dog
63 Grid coach —— Alonzo Stagg
64 Loquacious, in slang
66 Kind of blocker
68 Sit in the sun

DOWN
1 Oscar and Obie
2 Wisconsin college
3 Psycho talk?
4 Manage to get, with "out"
5 Doll
6 Church recesses
7 Crucifix
8 Gloucester's cape
9 Currycombs comb them
10 Imagine
11 Lynxet Jack
12 "The check is in the mail," maybe
13 Blow it
18 Kind of wine
22 Clears for takeoff?
24 Word of Valleyspeak
26 High-pitched
28 Much of a waiter's income
27 Mount Rushmore's site: Abbr.
29 Former New York governor
32 Transmits
33 "Golden Boy" dramatist
35 —— noire
36 Griever's exclamation
37 Golfer Jack
39 Twosome
42 Sister of Calliope
44 Some commercial promotions
47 Poisonous atmosphere
48 Caused to go
49 Danish city
51 Like beer
52 Unspoken
53 Actor Milo
58 Bona ——
57 "Rotten" missile
58 Ewe's sound
59 San Francisco's —— Hill
60 Part of a science class



Puzzle by Fred Piscop

© New York Times/Edited by Will Shortz.

Solution to Puzzle of April 7

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http://www.iht.com

Continued on Page 16

مكتبة الأمل

Herald INTERNATIONAL Tribune

BUSINESS/FINANCE

The Millennium Virus

Computers Need Cure for Year 2000

By John M. Broder and Laurence Zuckerman
New York Times Service

CHIPPEWA FALLS, Wisconsin — They hear the heavy footfall of the approaching millennium at Mason Shoe Co., and they wish it would just go away.

Like businesses and government agencies of all sizes in countries around the world, Mason Shoe depends on its computer systems to manage the daily flow of information and paper. Its bank of Hewlett-Packard 9000 computers orders materials, schedules manufacturing, pays bills, processes receipts and fills mail orders.

Nearly every document that the company creates carries a date — and that's a big problem.

Unless something is done about it soon, on a night at the end of December 1999, the clock at Mason Shoe will strike 12, and the calendar will spin backward to Jan. 1, 1900 — and Mason Shoe's computer, utterly confused, could make business grind to a halt.

This shoemaker with 750 employees in northwestern Wisconsin is suffering its own small share of a looming global quagmire known as the "year 2000 problem" or the "millennium virus."

As of Sunday, computer programmers at Mason Shoe and around the world had 1,000 days to effect a cure. One estimate of the collective cost runs as high as $600 billion.

The software on many computers employs a two-digit shorthand for the date, so that 1982, for example, is written as 82. Unless the date fields are changed to reflect the arrival of the new century, computers will interpret "00" as 1900.

The press has been full of resulting disaster scenarios: satellites falling from the sky, a global financial crash, nuclear meltdowns, hospital life-support systems shutting down, the collapse of the air-traffic system, a wayward ballistic missile.

But despite such prophecies, computer specialists expect the life-threatening problems to be dealt with beforehand. While they concede that unanticipated troubles could arise, most say the millennium will probably end not with a calamitous computer crash but only with a lot of expensive and disruptive headaches.

Without proper attention now, though, manufacturers could grind to a halt as their inventory systems break down. Customer orders could go unfilled. Government computers could begin spewing out millions of false tax notices. Bank records of loans and mortgages could become fouled up. Stock transactions could fail to clear.

Trying to prevent this will be costly. Sally Katzen, the White House official responsible for coordinating federal computer conversion efforts for 2000, estimates the cost of bringing U.S. government computers up to date at $2.3 billion over the next two and a half years — but says it will probably end up costing far more.

Gartner Group, a technology consulting company, estimates the global cost at $300 billion to $600 billion, based on the overwhelming size of the job and the late start most governments and businesses are getting. Gartner has calculated the U.S. government's portion of the bill at $30 billion.

John Lubs, president of Mason Shoe, is reluctantly budgeting $500,000 to reprogram his computers.

"We get absolutely nothing out of it," Mr. Lubs said. "We get to stay in business; that's all."

How did we reach this Information Age impasse?

Many of the world's computers record dates in a six-digit format: YYMMDD, or two digits each for year, month and date. Such date fields are embedded deep in the basic code that runs computer operating systems and applications software.

Although newer computers and software have been designed to recognize the difference between 1900 and 2000, much of the world's computer data — fully half, by some reckonings — still resides in programs that can identify the decade but not the century.

No one has yet devised a single "silver bullet" solution for the problem, a program that would search out and convert every date field in a computer's operating system or software; so it appears that every computer system and every program that is date-sensitive will have to be opened up and changed.

Despite claims from dozens of computer vendors, there is no single software tool that can be used to find and fix faulty date fields, except in the simplest computer applications. One of the

See COMPUTE, Page 14

Enny Nuraheni/Reuters

INDONESIAN SHAKEUP — Kuntoro Mangkusubroto, a top mining official, talking to reporters after being fired Monday. Ida Bagus Sudjana, minister of mining and energy, said the move had nothing to do with the controversy over the Busang gold deposit in Borneo.

Takeovers Spark Stocks

Bonds Also Help Extend Friday's Rally

By Mitchell Martin
International Herald Tribune

NEW YORK — A spate of takeover announcements Monday combined with falling bond yields to rekindle enthusiasm for stocks, but the acquisition activity indicated that corporate America thinks its equity is fully valued at current levels.

Four big deals were announced Sunday and Monday, and all included stock swaps. "Companies are looking at their stocks and saying they are fully valued, this would make a very attractive currency," said Elizabeth Mackay, chief investment strategist at Bear, Stearns & Co.

Ms. Mackay added, however, that after nearly a month of sharp declines, the stock market has entered a trading range, and she said prices were unlikely to deteriorate from current levels. The Dow Jones industrial average closed up 29.84 points, at 6,555.91, extending a rally that began Friday with a 49-point gain. The broader Standard & Poor's 500-stock index ended 4.24 points higher, at 762.14.

Aside from the takeover news, which carried mixed implications for equities, the stock market was encouraged by falling interest rates in the bond market. The yield on the bellwether 30-year Treasury issue fell to 7.07 percent from 7.12 percent on Friday.

The bond market also was caught in crosscurrents. It drew strength on

See STOCKS, Page 14

Dollar Makes Gains On Expectations for Higher U.S. Rates

Compiled by Our Staff From Dispatches

NEW YORK — The dollar surged against other major currencies Monday, buoyed by prospects for higher interest rates in the United States and steady or lower rates elsewhere in the world.

Signs that European Union countries may be willing to accept more flexible criteria for the introduction of a single currency also bolstered the dollar at the expense of the Deutsche mark. The arrival of a common European currency is viewed as a negative for the mark, currently Europe's leading currency.

The dollar rose to 1.7125 Deutsche marks in 4 P.M. trading from 1.6841 DM on Friday, to 125.580 yen from 124.315 yen, to 5.7610 French francs from 5.6710 francs and to 1.4696 Swiss francs from 1.4423 francs. The pound fell to $1.6278 from $1.6345.

The Federal Reserve Board raised U.S. interest rates last month, and many analysts expect it will do so again soon, making deposits and bonds denominated in dollars more attractive.

"People are saying the Fed has to raise rates in May," said Matthew Robertson, a bond portfolio manager at Neuberger & Berman.

Rates in Europe and Japan, meanwhile, are likely to remain steady or perhaps to fall. Hans Tietmeyer, the president of the Bundesbank, said Monday that no continental European country had hinted at a meeting of major central bank governors in Basel that it would raise rates.

He added, "The Bundesbank is following a steady policy — you know that. I don't see any change for the Bundesbank for the foreseeable future."

Weekend comments from Germany's finance minister, Theo Waigel, also bolstered the dollar.

Mr. Waigel appeared to signal a softening of the German insistence on strict adherence to the Maastricht treaty's economic and budget criteria for countries wishing to join a single currency when he said he had "never nailed" himself to the "cross" of achieving a budget deficit of 3 percent of gross domestic product.

Despite several later denials that Germany favored softening EMU prerequisites, investors read Mr. Waigel's comments as suggesting a broader EMU membership was possible, which prompted a flight from marks.

The dollar continued to gain against the yen after Robert Rubin, the U.S. Treasury secretary, said Friday that exchange rates should not be used as a trade tool. Traders took the statement to mean that Washington still favored a strong dollar. The U.S. currency has risen from a postwar low of just under 80 yen in the spring of 1995.

(Bloomberg, Market News, AFP)

Bank Firm To Buy U.S. Brokerage

Compiled by Our Staff From Dispatches

NEW YORK — Bankers Trust New York Corp. said Monday it had agreed to buy Alex. Brown & Sons Inc., the oldest U.S. stock-brokerage firm, for $1.7 billion.

The deal removes another brick from the wall that has separated U.S. banks from the brokerage industry since the 1930s. The division, which has been eroded in the past decade, crumbled more last year when the Federal Reserve Board allowed banks to get more of their revenue from securities underwriting and other nonlending businesses.

The purchase also sets the stage for what is expected to be a flurry of such acquisitions by banks in the United States and elsewhere.

In February, Morgan Stanley, an investment bank that serves big corporations, merged with Dean Witter Discover, a consumer-oriented brokerage and credit-card firm. One reason those companies gave for their combination was to forestall a takeover by a bank.

See BANK, Page 14

Thinking Ahead /Commentary

China Wants a Successful Hong Kong

By Reginald Dale
International Herald Tribune

WASHINGTON — Nobody knows for certain what will happen to Hong Kong after it reverts to Chinese sovereignty at midnight on June 30. One thing, however, is clear: The popular image of a Communist ogre devouring a defenseless outpost of Western values is greatly distorted.

All the political and economic evidence suggests that China wants Hong Kong's prosperity to continue. If anything goes wrong, it is more likely to be the result of miscalculation than of sinister intent. Politically, a smooth takeover of Hong Kong could help President Jiang Zemin strengthen his position against his rivals in Beijing by claiming the reformist mantle of Deng Xiaoping, one of whose main ambitions was Hong Kong's successful repatriation.

China's leaders are aware that the eyes of the world are upon them.

Financially, Beijing has a huge stake in Hong Kong. The Chinese government is the largest investor in stocks and land in Hong Kong, and Hong Kong is China's biggest source of foreign investment. Even if China's leaders may not fully comprehend the way Hong Kong works, they seem to accept that it needs to keep its basic economic freedoms.

Nothing indicates that Beijing intends to rip up the guarantees of those freedoms, agreed with Britain in 1984, which stipulate that Hong Kong may continue to conduct its own trade, economic and financial policies and keep its currency linked to the U.S. dollar.

As a special administrative region of China, Hong Kong will still be a member of the World Trade Organization, the World Bank and the International Monetary Fund — a point that the holding of the Bank/Fund annual meeting in Hong Kong this autumn is intended to drive home.

China's official but flexible Communist doctrine has not stood in the way of naked capitalism in neighboring Guangdong Province, which Mr. Deng in fact encouraged to help Hong Kong's economy merge with that of the mainland.

Many in the business world see glowing prospects. In a new book, "The Investment Opportunity of a Lifetime — Hong Kong, 1997 and Beyond," Richard E. McConnell and Richard E. McConnell Jr., Hong Kong investment advisers, argue that free enterprise and the stock market will flourish under Chinese rule — particularly if China's vast pool of domestic savings is allowed to flood into Hong Kong. What could upset this rosy outlook? One risk is that China's leaders could ignore the extent to which Hong Kong's success depends on Western concepts of the rule of law and free flow of information. Serious interference with either could threaten Hong Kong's unique international role. Political opponents of China will almost certainly test the attitudes of Hong Kong's new rulers — and their degree of subservience to Beijing — by staging demonstrations. China's reaction will be crucial.

The nightmare scenario is that continued political protests could spark a crackdown by the Chinese army reminiscent of the massacre near Tiananmen Square in June 1989. That, however, seems unlikely.

China's leaders are much more aware than they were in 1989 that the eyes of the world are upon them. Beijing is especially eager not to ruin the closer relations it is cultivating with Washington, and jeopardize China's chances of joining the WTO, one of its top policy priorities. Although Beijing insists that others not meddle in its internal affairs, it is becoming more sensitive to international opinion. It has, for instance, assured Tokyo that Japanese investments in Hong Kong will be safe.

Most of all, China wants to show Taiwan that it too could be painlessly reintegrated into the motherland in the same way as Hong Kong. To do so, China's leaders need only follow a simple rule of thumb: The further they keep their hands off Hong Kong, the better it will be for everyone — including themselves.

CURRENCY & INTEREST RATES

Cross Rates

April 7

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.9235	3.136	1.125	0.3343	0.1144*	—	5.453*	1.3103	1.529*	1.3845	1.332*
Brussels	35.13	57.15	20.6345	6.1385	2.0945*	18.34	—	23.997	0.2803	25.24	24.405*
Frankfurt	1.7034	2.7702	—	0.2971	0.1015*	0.8888	4.8465*	1.163	1.3981*	1.223	1.1836*
London (a)	1.6297	—	2.7904	9.3034	2,742.989	3.1358	57.5122	2.3924	204.943	2.2642	235.4080
Madrid	143.79	233.918	84.458	25.092	8.574*	75.067	4.0931	98.230	114.711*	104.32	—
Milan	1,675.85	2,731.35	985.30	292.48	—	874.85	47.738	1,146.60	13.405	1,202.58	11.44
New York (b)	—	1.6278a	1.7125	5.761	1,690.00	1.9255	35.28	1.4486	125.58	1.3872	140.94
Paris	5.7305	9.3225	3.366	—	0.3407*	2.9917	0.1638	3.9148	4.5716*	4.1177	3.984*
Tokyo	124.75	203.97	73.07	21.98	0.740	65.75	3.5058	86.45	—	89.65	0.8878
Toronto	1.387	2.2577	0.8071	0.2401	0.0823*	0.7215	0.3898*	0.9454	1.1049*	—	0.96*
Zurich	1.468	1.1617	0.8507	0.2552	0.0871*	0.7633	4.1685*	—	1.1674*	1.0563	1.0861*
1 ECU	1.1501	0.707	1.958	6.5984	1,928.81	2.2029	40.4015	1.6835	144.16	1.6005	165.413
1 SDR	1.3247	0.8536	2.3684	7.9787	2,358.61	2.6589	48.7403	2.0442	167.463	1.9257	199.880

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York at 4 P.M. and Toronto rates at 3 P.M.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9998	Greek drac.	268.45	Mex. peso	7.936	S. Afr. rand	4.42
Australian $	1.2853	Hong Kong $	7.747	N. Zealand $	1.4489	S. Kor. won	893.10
Austrian sch.	11.992	Hung. forint	176.46	Norw. krone	6.9167	Swed. krona	7.6923
Brazil real	1.0581	Indian rupee	35.868	Phil. peso	26.36	Taiwan $	27.55
Chinese yuan	8.3268	Indo. rupiah	2404.00	Polish zloty	3.08	Thai baht	25.99
Czech koruna	28.85	Irish £	0.643	Port. escudo	171.10	Turkish lira	128030.
Danish krone	6.49	Israeli shek.	3.37	Russ ruble	5736.00	UAE dirham	3.6705
Egypt. pound	3.3962	Kuwi dinar	0.3038	Saudi riyal	3.75	Venez. boliv.	476.00
Fin. markka	5.088	Malay. ring.	2.4985	Sing. $	1.4388		

Forward Rates

Currency	30-day	60-day	90-day
Pound Sterling	1.6251	1.6243	1.6235
Canadian dollar	1.3874	1.3847	1.3825
Deutsche mark	1.7019	1.6988	1.6952
Japanese yen	126.04	124.53	123.96
Swiss franc	1.4612	1.4569	1.4523

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo).

Libid-Libor Rates

April 7

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 1/2 - 5 5/8	3 - 3 1/8	1 7/16 - 1 9/16	5 7/8 - 6 1/8	3 3/16 - 3 5/16	7/16 - 1/2	4 1/8 - 4 5/16
3-month	5 11/16 - 5 3/4	3 - 3 1/8	1 9/16 - 1 11/16	6 1/8 - 6 1/4	3 3/16 - 3 5/16	1/2 - 5/8	4 1/8 - 4 5/16
6-month	5 7/8 - 5 15/16	3 3/16 - 3 1/4	1 5/8 - 1 3/4	6 7/16 - 6 9/16	3 1/4 - 3 3/8	1/2 - 5/8	4 1/4 - 4 3/8
1-year	6 3/16 - 6 5/16	3 1/4 - 3 3/8	1 7/8 - 2	7 - 7 1/8	3 3/8 - 3 1/2	9/16 - 11/16	4 1/4 - 4 3/8

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/2	8 1/2
Federal funds	5 7/16	5 9/16
90-day CDs dealers	5.72	5.71
180-day CP dealers	5.64	5.63
3 month Treasury bill	5.15	5.13
1-year Treasury bill	5.62	5.63
2-year Treasury bill	6.39	6.42
5-year Treasury note	6.73	6.77
7-year Treasury note	6.84	6.83
10-year Treasury note	6.87	6.91
30-year Treasury bond	7.08	7.13
Merrill Lynch 30-day RA	4.89	4.89
Japan		
Discount rate	0.50	0.50
Call money	0.42	0.42
1-month interbank	0.59	0.59
3-month interbank	0.59	0.59
6-month interbank	0.66	0.66
10-year Govt bond	2.17	2.21
Germany		
Lombard rate	4.50	4.50
Call money	3.15	3.18
1-month interbank	3.25	3.25
3-month interbank	3.27	3.27
6-month interbank	3.28	3.28
10-year Bond	5.93	6.04
Britain		
Bank base rate	6.00	6.00
Call money	5 3/4	6 1/8
1-month interbank	6 1/8	6 1/8
3-month interbank	6 1/4	6 1/4
6-month interbank	6 7/16	6 1/2
10-year Gilt	7.63	7.66
France		
Intervention rate	3.10	3.10
Call money	3 3/16	3 3/16
1-month interbank	3 1/4	3 1/4
3-month interbank	3 1/4	3 3/8
6-month interbank	3 7/16	3 7/16
10-year OAT	5.82	5.91

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	348.00	348.25	−0.75
London	347.85	349.00	−1.30
New York	351.	351.00	+0.70

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (June.)
Source: Reuters.

PRIVATE BANKING

We're not just on the map. We're all over it.

It's not only our vast worldwide network that keeps us at your side at all times.

It's our total commitment to serving your unique demands, wherever you may be.

From the time we opened our first office in Switzerland in 1876, Credit Lyonnais has earned an enviable reputation for Private Banking based on dialogue and personal relationships.

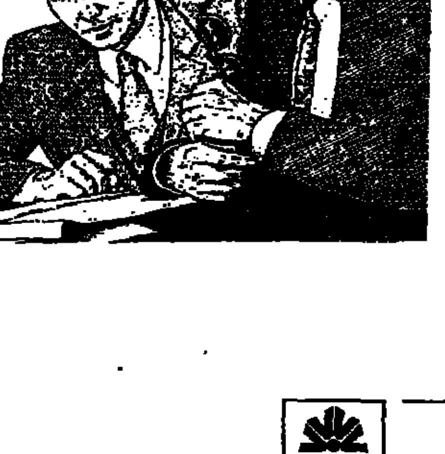
The founder of Credit Lyonnais, Henri Germain, expressed it most succinctly when he created the bank's motto:

"Business is people, not just figures".

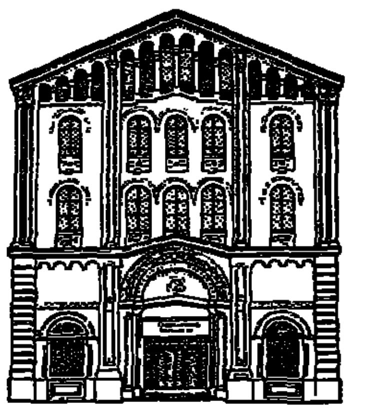
This has been the very essence of our banking philosophy from generation to generation.

We listen well to our clients' priorities as we help them navigate diverse and fast-changing financial markets. Perhaps that is why today we manage more than 9 million private accounts. And why we are often cited as a world reference bank for the private customer.

But there is yet another dimension to a successful banking partnership.



Your banker must make sure you get where you want to go. Providing innovative solutions and insightful answers through in-depth resources and experience in the world's leading marketplaces.



Our Geneva subsidiary, specialized in Private Banking since 1876.

Credit Lyonnais' Private Banking network can always put the financial technology and expertise you need at your finger tips. Precisely when you need it.

The combined strength of these two dimensions – close, trusting partnerships and vast global resources – creates something unique in Credit Lyonnais Private Banking.

Let's talk.

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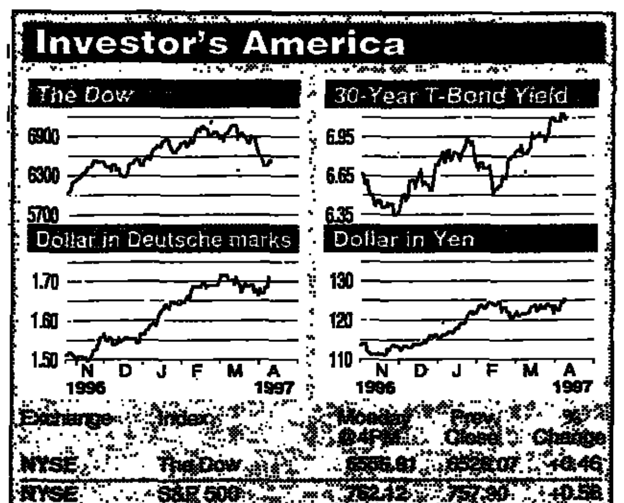
PARIS TEL. 33 1/42 95 03 05 • LUXEMBOURG TEL. 352/476 831 442 • LONDON TEL. 44 171/499 91 46
MONACO TEL. 377/93 15 73 34 • VIENNA TEL. 431/531 50 120 • MONTEVIDEO TEL. 598 2/95 08 67 • MIAMI TEL. 1 305/375 78 14
HONG KONG TEL. 852/28 02 28 88 • SINGAPORE TEL. 65/535 94 77

THE AMERICAS

Investor's America



Exchange	Index	Monday @4PM	Prev. Close	% Change
NYSE	The Dow	6555.91	6526.07	+0.46
NYSE	S&P 500	762.12	757.90	+0.56
NYSE	S&P 100	741.50	737.02	+0.61
NYSE	Composite	400.66	398.02	+0.67
U.S.	Nasdaq Composite	1251.34	1236.72	+1.18
AMEX	Market Value	579.53	556.73	+4.10
Toronto	TSE Index	5897.40	5877.10	+0.35
São Paulo	Bovespa	8838.52	8805.25	+0.38
Mexico City	Bolsa	3287.94	3254.58	+0.89
Buenos Aires	Merval	720.71	722.42	-0.24
Santiago	IPSA General	5352.95	5342.62	+0.19
Caracas	Capital General	6170.19	6153.42	+0.27

Source: Bloomberg, Reuters International Herald Tribune

Knight-Ridder Buys 4 Papers

By Rajiv Chandrasekaran
Washington Post Service

WASHINGTON — Knight-Ridder Inc. will spend $1.65 billion to buy four newspapers from Walt Disney Co., including the Kansas City Star and the Fort Worth Star-Telegram.

Seeking to concentrate fully on newspapers, it also will sell its commercial on-line information business. Those businesses include the Dialog and DataStar services, which provide on-line data to institutional customers.

Knight-Ridder newspapers will continue to offer electronic versions of themselves on the World Wide Web.

[Knight-Ridder's credit ratings may be cut after the acquisition, two debt-rating companies said Monday, according to Bloomberg News.

[Standard & Poor's Corp. said it was placing Knight-Ridder on its CreditWatch list with negative implications, the first step toward a possible downgrade. Moody's Investors Service Inc. said it also was reviewing the rating for a possible downgrade. Knight-Ridder has about $460 million in long-term debt, S&P said.]

Getting out of the electronic-information business represents a strategic reversal for Knight-Ridder, which invested heavily in such ventures in the 1980s in the hope of cushioning itself against downturns in the newspaper industry, several analysts said.

Recently, the newspaper business has been looking more attractive because of lower newsprint costs, increased advertising revenue and employee cutbacks.

Disney said in January that it was looking to sell the newspapers, which it received as part of its $19 billion purchase of Capital Cities/ABC Inc. in 1995. Other large newspaper chains, including Tribune Co., Hearst Corp. and Times-Mirror Co., reportedly also had expressed interest in the publications.

Analysts agreed with the company's decision to get out of the on-line information business, saying Dialog had suffered from competition with larger services such as Lexis-Nexis, which is owned by Reed Elsevier Inc.

Knight-Ridder will issue $660 million in convertible preferred stock and assume $990 million in debt to pay for the transaction.

STOCKS: *Takeovers Give Market a Lift*

Continued from Page 13

Monday from a rising dollar, which reflected speculation that short-term U.S. interest rates would rise in the next few months. Late last month, the Federal Reserve Board pushed up its target for the federal funds rate to 5.5 percent from 5.25 percent. Many analysts are predicting the federal funds rate, which is charged on overnight interbank loans, will be increased to 6 percent this year as the central bank carries through on its pledge to fight inflation even if none is visible in the economy.

Internationally minded investors are being drawn to short-term dollar-denominated assets, such as money-market accounts, and the resulting rise in the value of the U.S. currency is making longer-term instruments seem like good bets. On Monday, there was "a stronger dollar, and it looks like we've seeing some buying" in the bond market from international buyers such as Japanese investors, Bill Gamba, head of trading at Cowen & Co., told Bloomberg News.

Several analysts have said that if the Fed succeeds in its fight against inflation, it will slow the economy later this year and set the stage for a fall in long-term bond yields toward the 6 percent level. In the fourth quarter of last year, the economy expanded at an annual rate of 3.8 percent, a degree of growth that many analysts say is so fast that it will force inflationary price increases.

Yet a diminished growth rate for the economy would make it hard for corporate earnings to grow, limiting the scope for the stock market to advance. Ms. Mackay said she thought that after the market's tumble from the Dow record close of 7,085.16 on March 11, stocks "in the short run are extremely oversold."

She predicted the Dow would trade in a range of 6,300 to 7,100 for the rest of the year.

With the prospect that their stock will not rise far in the near future, Ms. Mackay said, "Corporations are starting to use their shares as tender," buying up the equity of other companies they would like to own.

The biggest deal announced on Monday was Allegheny Power System's $4.3 billion takeover of DQE Inc., the parent of Duquesne Light Co. The stock-swap acquisition will add 580,000 customers in the Pittsburgh area to Allegheny's 1.4 million ratepayers in several Middle Atlantic states. Allegheny slipped ⅞ to 28⅞ and DQE rose 1¾ to 28⅞.

U.S. STOCKS

The No. 2 deal was Mesa Inc.'s purchase of Parker & Parsley Petroleum Co. for $1.9 billion in stock and assumed debt. Mesa is a natural-gas company. Parker & Parsley is an oil exploration and production concern. The merged company is to be called Pioneer Natural Resources Co. Mesa shares lost ⅝ to 5⅛ and Parker rose 2 to 31⅞.

The third noteworthy deal was Banker Trust's $1.7 billion all-stock takeover of Alex. Brown Inc., a Baltimore-based securities house. It followed news Sunday that Microsoft would purchase WebTV Networks Inc. for about $425 million in stock and cash.

Nike was the most active issue on the New York Stock Exchange, falling 3⅞ to 55½ on reports that the footwear maker was cutting production in Asia, a sign it expected sales to slow.

Technology issues were strong, as indicated by the Nasdaq Composite index's rise of 14.70 points, to 1,251.34. Microsoft and Intel rose.

COMPUTE: *Cure for Millennium Virus Needed by 2000*

Continued from Page 13

biggest concerns of data-processing managers is that even if one computer system were fixed to accommodate the century change, it could easily be contaminated by noncompliant data imported from other computers.

Like Mason Shoe, most computer users have developed their systems over years, customizing programs from a variety of sources to handle unique jobs.

The result is millions of one-of-a-kind computer applications around the world and an incredibly labor-intensive job of fixing them.

Peter de Jager, a Canadian computer specialist who in 1993 was one of the first to sound an alarm about the 2000 problem, recently conducted a survey of businesses' progress in addressing the problem. He found that no more than one-third of private companies knew exactly what they had to do to fix their systems and when they were going to do it.

The winners will be the companies that started early: They will not need to compete later for programmers whose prices are escalating rapidly, and they will have time to test their efforts.

"We think it could become a competitive advantage," said Steven Sheinheit, a senior vice president in charge of corporate computer systems at Chase Manhattan Bank. He said early completion of the 2000 conversion job could give the bank an opportunity to acquire companies or parts of companies that have been weakened by mishandled conversion projects.

Chase has purchased software that identifies about 80 percent of the date references in computer code; the rest must be sought out manually, bank officials said.

"The difficulty is not changing the code but testing it," Mr. Sheinheit said. "If you change one line, you have to test the whole system."

Very briefly:

• **Qualcomm Inc.** said a federal court in California granted a temporary restraining order against a rival phone maker, **Motorola Inc.**, that prohibits Motorola from communicating with Qualcomm customers and suppliers about alleged patent infringement on a wireless technology

• **Integrated Health Services Inc.** dropped its $584 million bid to acquire **Coram Healthcare Corp.**, scuttling plans to create one of the largest U.S. home health-care companies.

• **Brazil's** president, Fernando Henrique Cardoso, said the government would spend 8.4 billion reals ($7.94 billion) through 1998 to create jobs and counter rising unemployment. Brazil's unemployment rate rose to 5.4 percent last year from 4.6 percent in 1995, leading critics to accuse the government of fighting inflation at the expense of jobs.

• **Ford Motor Co.**'s chairman and chief executive officer, Alex Trotman, was given total compensation of $5,738,976 during 1996, a 5.7 percent increase over his 1995 compensation, the automaker said in its annual proxy statement.

• **Lockheed Martin Corp.** said the company's unit that builds F-16 fighter jets avoided a strike by reaching a three-year labor pact with its union.

Bloomberg, Reuters

Weekend Box Office

The Associated Press

LOS ANGELES — "Liar Liar" dominated the U.S. box office over the weekend, with a gross of $18.5 million. Following are the Top 10 moneymakers, based on Friday's ticket sales and estimated sales for Saturday and Sunday.

1. Liar Liar	(Universal)	$18.5 million
2. The Saint	(Paramount)	$16.2 million
3. The Devil's Own	(Columbia Pictures)	$7.4 million
4. That Old Feeling	(Universal)	$5.2 million
5. Double Team	(Columbia Pictures)	$5 million
6. Jungle2Jungle	(Walt Disney)	$3.4 million
7. The Sixth Man	(Touchstone Pictures)	$3.1 million
8. Selena	(Warner Bros.)	$2.7 million
9. Return of the Jedi	(Twentieth Century-Fox)	$2.5 million
10. Inventing the Abbots	(Twentieth Century-Fox)	$2.4 million

BANK: *Buying U.S. Brokerage*

Continued from Page 13

For more than a decade, Congress has been debating whether to repeal the 1933 Glass-Steagall Act, which bans banks from underwriting stocks. It was enacted in the Depression era to prevent banks from taking possibly fatal risks in the markets. In recent years, Wall Street largely withdrew its objections to letting banks onto its turf, but the repeal of the law has still been blocked by insurance-industry objections over different issues.

Bankers Trust's purchase turns up the heat under J.P. Morgan, Chase Manhattan, Deutsche Bank, Credit Suisse and other commercial banks that, like Bankers Trust, aspire to be world-class investment banks. On paper, the combination looks formidable, with Alex. Brown's equity and corporate-finance businesses complementing Bankers Trust's substantial high-yield, leveraged-financing and derivatives businesses.

Alex. Brown had a return of 27.2 percent on its $644 million of shareholders' equity last year. Except for a dip to 19.7 percent in 1994, it has returned more than 20 percent on its capital in each of the past five years. *(NYT, AP, Bloomberg)*

AMEX

Monday's 4 P.M. Close
The top 300 most active shares, up to the closing on Wall Street.
The Associated Press.

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U.S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	6572.15	6588.14	6526.07	6555.91	+29.84
Trans	2418.40	2429.67	2400.54	2427.34	+20.82
Util	215.34	215.62	214.57	214.64	-0.21
Comp	2068.24	2075.62	2056.47	2068.36	+11.91

Standard & Poors

	High	Low	Previous Close	Today 4:00
Industrials	—	—	889.88	894.56
Transp.	—	—	552.13	553.68
Utilities	—	—	186.47	186.17
Finance	—	—	85.46	86.27
SP 500	—	—	757.90	762.14
SP 100	—	—	737.02	741.53

NYSE

	High	Low	Last	Chg.
Composite	401.77	398.02	400.66	+2.66
Industrials	504.21	502.15	504.71	+2.54
Transp.	364.54	361.81	363.92	+2.11
Utility	256.58	253.74	256.28	+2.54
Finance	367.08	361.96	365.88	+3.92

Nasdaq

	High	Low	Last	Chg.
Composite	1259.71	1249.50	1251.58	+14.85
Industrials	1031.86	1028.87	1030.58	+10.62
Banks	1363.72	1357.19	1363.27	+10.51
Insurance	1412.73	1406.15	1408.25	+6.10
Finance	1670.87	1668.45	1670.87	+19.98
Transp.	872.45	865.67	871.79	+9.53

AMEX

High	Low	Last	Chg.
560.84	556.71	560.44	+3.71

Dow Jones Bond

	Previous Close	Today Noon
20 Bonds	103.25	101.97
10 Utilities	100.09	98.68
10 Industrials	106.41	105.14

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
NikeB s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
OfficeDpt	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Micron	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
AT&T s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
ColHCA s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
LSI Log	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
AMD	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
GTE	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FannieMae	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
HewlPk s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
PepsiCo s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Chrysler s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
AmOnline	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Nasdaq

	Vol.	High	Low	Last	Chg.
Cisco	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Intel	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Microsoft s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Oracle s	41616	[illegible]	[illegible]	[illegible]	[illegible]

AMEX

	Vol.	High	Low	Last	Chg.
SPDR	25137	[illegible]	[illegible]	[illegible]	[illegible]
BAT Ind	18445	[illegible]	[illegible]	[illegible]	[illegible]
ViacB	17930	[illegible]	[illegible]	[illegible]	[illegible]
IvaxCp	10433	[illegible]	[illegible]	[illegible]	[illegible]
JTS Corp	9183	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	5100	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	4990	[illegible]	[illegible]	[illegible]	[illegible]
TWA	4415	[illegible]	[illegible]	[illegible]	[illegible]
Nabors	4226	[illegible]	[illegible]	[illegible]	[illegible]
Hanken	3668	[illegible]	[illegible]	[illegible]	[illegible]

Trading Activity

NYSE

	Close	Prev.
Advanced	1742	1432
Declined	804	1068
Unchanged	779	883
Total issues	3325	3383
New Highs	54	32
New Lows	43	85

Nasdaq

	Close	Prev.
Advanced	2084	2279
Declined	1327	1457
Unchanged	2339	1813
Total Issues	5750	5749
New Highs	51	26
New Lows	93	197

AMEX

	Close	Prev.
Advanced	300	254
Declined	205	257
Unchanged	207	184
Total issues	712	795
New Highs	15	7
New Lows	11	26

Market Sales

	Today 4 pm	Prev. cons.
NYSE	460.46	424.72
Amex	19.73	26.05
Nasdaq	536.20	667.64

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Fidel Asset Mgr	-	.04	4-4	4-7
Fidel Sel Am Gold	-	1.29	4-4	4-7
Fidel Sel Auto	-	.92	4-4	4-7
Fidel Sel Biotec	-	.59	4-4	4-7
Fidel Sel Brkge	-	.05	4-4	4-7
Fidel Sel Chem	-	.04	4-4	4-7
Fidel Computer	-	3.79	4-4	4-7
Fidel Constr Hous	-	2.19	4-4	4-7
Fidel Def & Aero	-	.39	4-4	4-7
Fidel Electronics	-	3.25	4-4	4-7
Fidel Energy	-	1.03	4-4	4-7
Fidel Fin Svc	-	3.65	4-4	4-7
Fidel Food Agric	-	2.82	4-4	4-7
Fidel Hlth Care	-	6.38	4-4	4-7
Fidel US Eq Index	-	.10	4-4	4-7
Sabine Royalty	-	.1438	4-15	4-29
STOCK SPLIT				
Movado Group 5 for 4 split.				
STOCK				
Travel Ports	-	6%	4-17	4-28

Company	Per	Amt	Rec	Pay
REVERSE STOCK SPLIT				
Genta Inc 1 for 10 reverse split.				
Kravtor Corp 1 for 25 reverse split.				
SPECIAL				
Bitmple Intl	-	.035	4-15	5-1
INITIAL				
Movado Group n	-	.03	4-21	5-1
Viking Energy g	-	.36	3-31	4-15
REGULAR				
Clarcor Inc	Q	.1625	4-11	4-25
Colonial Intmkt 1	M	.078	4-15	5-1
Colonial Inv Grd	M	.0535	4-15	5-1
FstUntdCorp Oak	Q	.14	4-17	5-1
Latin Am Dollar	Q	.375	4-21	4-30
NY TxEx Income	M	.053	4-15	5-1
New Am HI Inco	M	.04	4-16	4-30
Newport News	Q	.04	4-15	4-30
Scudder Wld Inco	Q	.33	4-21	4-30
X-Rite Inc	Q	.025	4-18	5-16

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y - ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

April 7, 1997

	High	Low	Latest	Chge	Opint
Grains					
CORN (CBOT) 5,000 bu minimum- cents per bushel					
May 97	301¼	293¾	300¾	+6½	128,849
Jul 97	304	295½	303	+6½	117,904
Sep 97	291½	286	291	+5½	19,520
Dec 97	290¼	283½	289¾	+6½	94,222
Mar 98	294½	290½	293¾	+5¾	8,988
Est. sales N.A. Fri's. sales 106,727					
Fri's open int 375,214 off 6906					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
May 97	289.00	277.30	287.40	+5.90	43,866
Jul 97	284.00	275.40	284.50	+5.60	30,644
Aug 97	273.80	268.00	272.60	+4.20	9,196
Sep 97	256.00	252.50	255.20	+2.90	6,621
Oct 97	230.00	226.00	228.70	+2.70	6,141
Dec 97	223.50	220.50	221.60	+1.30	12,384
Est. sales N.A. Fri's. sales 33,729					
Fri's open int 110,580 off 2075					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
May 97	24.23	23.82	24.16	+0.29	36,630
Jul 97	24.63	24.24	24.58	+0.29	33,150
Aug 97	24.78	24.50	24.75	+0.30	7,557
Sep 97	24.85	24.65	24.85	+0.30	4,861
Oct 97	24.95	24.85	24.95	+0.30	4,969
Dec 97	25.20	24.95	25.20	+0.32	14,010
Est. sales N.A. Fri's. sales 24,299					
Fri's open int 102,036 up 1347					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
May 97	867	836¼	867¾	+21¾	67,675
Jul 97	871½	841¼	867½	+20½	69,144
Aug 97	852	825	849	+21½	10,305
Sep 97	760	751	759	+16	6,472
Nov 97	786½	693	785	+11	38,662
Est. sales N.A. Fri's. sales 92,984					
Fri's open int 195,564 off 1221					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
May 97	382¼	373¼	380½	+8¼	22,828
Jul 97	384	374¼	383¼	+11¾	44,974
Sep 97	387	379½	386¼	+11¼	7,909
Dec 97	396½	385	395	+11½	6,942
Est. sales N.A. Fri's. sales 25,375					
Fri's open int 83,154 off 3086					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Apr 97	67.75	66.95	66.97	−0.65	18,887
Jun 97	64.07	63.10	63.25	−0.80	35,402
Aug 97	63.95	63.35	63.42	−0.45	24,043
Oct 97	67.95	67.30	67.35	−0.37	14,828
Dec 97	69.85	69.37	69.47	−0.17	7,332
Feb 98	70.70	70.35	70.40	−0.17	4,395
Est. sales 18,012 Fri's. sales 17,094					
Fri's open int 105,531 off 843					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Apr 97	70.85	70.50	70.62	−0.17	2,452
May 97	70.50	69.85	69.95	−0.65	6,311
Aug 97	73.68	73.05	73.10	−0.40	4,029
Sep 97	74.00	73.25	73.27	−0.57	1,460
Oct 97	74.40	73.80	73.82	−0.57	2,261
Nov 97	75.95	75.55	75.55	−0.25	999
Est. sales 2,775 Fri's. sales 3,721					
Fri's open int 20,206 up 41					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Apr 97	73.75	73.05	73.48	−0.22	4,861
Jun 97	81.92	81.10	81.35	−0.57	14,791
Jul 97	81.70	80.85	80.92	−0.45	3,985
Aug 97	79.75	78.57	79.00	−0.75	3,141
Oct 97	73.30	72.65	73.07	−0.17	2,626
Dec 97	71.27	70.75	70.82	−0.22	1,770
Est. sales 9,284 Fri's. sales 11,260					
Fri's open int 32,098 up 1727					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
May 97	80.10	78.55	78.97	−0.42	3,646
Jul 97	79.30	77.60	77.80	−0.75	2,141
Aug 97	76.80	75.10	75.32	−0.72	542
Feb 98			71.55	−0.15	101
Mar 98			71.60		8
May 98			66.50		2
Est. sales 2,402 Fri's. sales 1,795					
Fri's open int 6,383 off 55					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
May 97	1452	1370	1398	−75	30,385
Jul 97	1480	1410	1436	−68	23,803
Sep 97	1501	1440	1455	−68	11,967
Dec 97	1517	1460	1482	−58	11,936
Mar 98	1535	1480	1498	−58	18,076
Est. sales 30,288 Fri's. sales 17,477					
Fri's open int 105,561 up 946					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
May 97	183.00	173.75	179.40	+0.25	14,861
Jul 97	167.25	160.50	165.05	+0.30	9,789
Sep 97	154.75	149.50	153.00	+0.90	6,611
Dec 97	142.50	138.00	141.90	+2.90	3,679
Est. sales 6,300 Fri's. sales 12,732					
Fri's open int 35,939 off 471					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
May 97	11.03	10.95	11.00		60,779
Jul 97	10.76	10.72	10.76	+0.02	38,303
Oct 97	10.61	10.57	10.60	−0.01	32,221
Mar 98	10.60	10.57	10.60	+0.02	16,199
Est. sales 10,130 Fri's. sales 12,453					
Fri's open int 152,644 up 3238					

	High	Low	Latest	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
May 97	76.00	74.55	74.90	+0.35	13,264
Jul 97	78.80	77.50	78.10	+0.65	7,907
Sep 97	81.75	80.35	81.00	+0.90	4,417
Nov 97	84.00	83.45	83.45	+0.95	1,946
Est. sales N.A. Fri's. sales 4,836					
Fri's open int 29,004 up 1024					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Apr 97	349.10	347.20	348.40	−0.40	712
May 97			349.50	−0.50	2
Jun 97	352.30	349.40	351.10	−0.60	66,157
Aug 97	354.40	353.00	353.80	−0.60	13,348
Oct 97	356.80	356.80	356.50	−0.60	5,633
Dec 97	360.70	357.50	359.40	−0.60	21,805
Feb 98	362.70	362.20	362.20	−0.60	5,235
Apr 98			364.90	−0.60	3,045
Est. sales 18,000 Fri's. sales 24,234					
Fri's open int 150,197 off 308					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Apr 97	109.70	106.00	106.50	−3.40	3,365
May 97	108.25	104.40	104.75	−3.55	21,443
Jun 97	105.20	103.80	103.90	−3.40	1,498
Jul 97	106.50	103.00	103.15	−3.25	8,403
Aug 97	103.40	102.25	102.25	−3.35	750
Sep 97	102.50	101.35	101.35	−3.05	4,141
Oct 97	102.30	100.85	100.85	−2.85	648
Nov 97	101.80	100.35	100.35	−2.55	763
Dec 97	100.80	99.50	99.85	−2.35	6,010
Est. sales 10,000 Fri's. sales 9,150					
Fri's open int 50,717 off 1667					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Apr 97			477.30	+4.90	2
May 97	480.50	470.00	479.00	+4.80	55,906
Jun 97			481.50	+4.80	2
Jul 97	485.50	479.00	483.90	+4.80	23,311
Sep 97	489.50	485.50	488.70	+4.80	3,866
Dec 97	498.80	489.50	496.10	+4.80	5,378
Jan 98			498.70	+4.80	16
Mar 98	505.00	501.50	503.90	+4.80	5,373
Est. sales 15,000 Fri's. sales 21,084					
Fri's open int 98,125 off 129					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Apr 97	365.00	364.50	364.50	+3.70	89
May 97			388.50		
Jun 97			1487.50		
Jul 97	371.00	365.20	368.50	+3.70	12,579
Oct 97			371.00	+3.70	2,219
Jan 98			373.20	+3.70	1,155
Est. sales N.A. Fri's. sales 3,478					
Fri's open int 15,774 off 569					

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1550.00	1551.00	1580½	1581½
Forward	1585.00	1586.00	1615.00	1616.00
Copper Cathodes (High Grade)				
Spot	2321.00	2324.00	2370.00	2373.00
Forward	2283.00	2284.00	2328.00	2329.00
Lead				
Spot	648.00	649.00	677.00	679.00
Forward	649.00	650.00	675.00	676.00
Nickel				
Spot	7175.00	7185.00	7400.00	7410.00
Forward	7290.00	7295.00	7515.00	7525.00
Tin				
Spot	5690.00	5695.00	5780.00	5785.00
Forward	5730.00	5731.00	5810.00	5815.00
Zinc (Special High Grade)				
Spot	1227½	1228½	1243.00	1244.00
Forward	1253.00	1254.00	1267.00	1268.00

	High	Low	Close	Chge	Opint
Financial					
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Jun 97	94.63	94.61	94.61		6,847
Sep 97	94.32	94.28	94.30	+0.02	3,255
Dec 97			94.48		847
Est. sales N.A. Fri's. sales 965					
Fri's open int 10,182 up 330					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Jun 97	104-34	104-20	104-30	+11	226,000
Sep 97			104-14	+11	696
Dec 97			104-01	+11	10
Est. sales 28,000 Fri's. sales 65,690					
Fri's open int 226,706 up 5902					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Jun 97	105-30	105-19	105-27	+10	324,845
Sep 97	105-13	105-07	105-12	+11	15,433
Dec 97			105-00	+11	50
Est. sales 45,455 Fri's. sales 95,938					
Fri's open int 340,528 up 7962					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Jun 97	107-22	107-02	107-20	+20	406,373
Sep 97	107-07	106-26	107-06	+20	34,045
Dec 97	106-26	106-23	106-25	+20	5,301
Mar 98			106-15	+20	1,460
Est. sales 285,000 Fri's. sales 527,799					
Fri's open int 477,246 up 11064					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Jun97	109-04	108-15	109-01	+0-12	171,641
Sep97	N.T.	N.T.	108-26	+0-12	
Est. sales: 48,785. Prev. sales: 49,163					
Prev. open int.: 172,383 off 3,419					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Jun97	100.31	99.48	100.28	+0.98	260,794
Sep97	99.26	98.63	99.26	+0.94	4,600
Est. sales: 196,182. Prev. sales: 185,142					
Prev. open int.: 265,394 up 3,741					

	High	Low	Latest	Chge	Opint
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Jun 97	128.20	127.44	128.20	+1.10	167,029
Sep 97	126.08	125.80	126.56	+1.08	4,666
Dec 97	95.42	95.42	96.20	+1.10	0
Est. volume: 133,903. Open int.: 171,694 up 35.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Jun97	127.54	126.00	127.50	+1.90	108,348
Sep97	126.75	126.65	127.50	+1.87	3,119
Est. sales: 68,931. Prev. sales: 69,639					
Prev. open int.: 111,467 up 1,146					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Apr 97	94.19	94.18	94.18		38,265
May 97	94.11	94.11	94.11		22,083
Jun 97	94.05	94.03	94.04	+0.01	511,874
Sep 97	93.73	93.70	93.72	+0.03	394,159
Dec 97	93.44	93.40	93.43	+0.03	278,453
Mar 98	93.30	93.26	93.29	+0.03	205,978
Jun 98	93.20	93.15	93.18	+0.03	175,913
Sep 98	93.11	93.08	93.10	+0.03	135,577
Dec 98	93.02	92.99	93.01	+0.03	115,423
Mar 99	93.01	92.98	93.01	+0.04	87,854
Jun 99	92.99	92.96	92.97	+0.03	77,575
Est. sales N.A. Fri's. sales 596,435					
Fri's open int 2,441,867 up 32941					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Jun 97	1.6344	1.6216	1.6262		35,675
Sep 97	1.6262	1.6220	1.6238		841
Dec 97			1.6208		101
Est. sales N.A. Fri's. sales 8,826					
Fri's open int 36,817 off 1508					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Jun 97	.7247	.7205	.7244		74,444
Sep 97	.7284	.7249	.7279		4,688
Dec 97	.7299	.7290	.7308		1,171
Mar 98			.7336		772
Est. sales N.A. Fri's. sales 13,135					
Fri's open int 81,407 up 1859					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Jun 97	.5966	.5878	.5876		62,736
Sep 97	.5950	.5913	.5916		2,523
Dec 97			.5940		307
Mar 98			.6005		27
Est. sales N.A. Fri's. sales 31,844					
Fri's open int 65,503 up 32					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Jun 97	.8151	.8026	.8047		69,840
Sep 97	.8220	.8135	.8158		943
Dec 97	.8290	.8260	.8274		463
Est. sales N.A. Fri's. sales 32,092					
Fri's open int 71,346 up 1712					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Jun 97	.6907	.6856	.6863		40,323
Sep 97	.7025	.6924	.6933		2,133
Dec 97	.7015	.7000	.7008		429
Est. sales N.A. Fri's. sales 18,781					
Fri's open int 42,935 off 331					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Jun97	93.31	93.25	93.30	Unch.	125,629
Sep97	93.01	92.91	92.98	−0.02	89,075
Dec97	92.77	92.67	92.76	Unch.	68,176
Mar98	92.60	92.49	92.60	+0.02	46,368
Jun98	92.59	92.38	92.50	+0.05	39,118
Sep98	92.42	92.29	92.42	+0.06	25,493
Dec98	92.34	92.23	92.34	+0.06	20,425
Mar99	92.23	92.17	92.28	+0.06	13,032
Jun99	92.22	92.15	92.22	+0.05	9,193
Sep99	92.16	92.10	92.16	+0.06	8,182
Dec99	92.12	92.08	92.12	+0.05	6,019
Mar00	92.07	92.01	92.07	+0.05	1,516
Est. sales: 84,484. Prev. sales: 47,605					
Prev. open int.: 482,426 up 3,750					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Apr97	96.77	96.76	96.77	Unch.	10,355
May97	N.T.	N.T.	96.77	Unch.	3,111
Jun97	96.77	96.75	96.76	Unch.	222,811
Sep97	96.71	96.68	96.69	Unch.	182,073
Dec97	96.54	96.51	96.53	+0.02	203,216
Mar98	96.37	96.33	96.36	+0.04	156,790
Jun98	96.18	96.12	96.17	+0.06	134,085
Sep98	95.96	95.89	95.96	+0.08	105,727
Dec98	95.69	95.63	95.70	+0.07	76,500
Mar99	95.45	95.38	95.44	+0.10	59,942
Jun99	95.15	95.09	95.16	+0.10	32,981
Sep99	94.85	94.80	94.87	+0.10	25,561
Dec99	94.56	94.53	94.60	+0.11	29,588
Mar00	94.31	94.29	94.35	+0.10	7,641
Jun00	94.07	94.06	94.14	+0.10	1,536
Sep00	93.89	93.86	93.94	+0.10	2,466
Dec00	93.73	93.68	93.76	+0.10	1,251
Mar01	93.53	93.50	93.58	+0.10	7
Est. sales: 156,706. Prev. sales: 154,673					
Prev. open int.: 1,256,255 up 5,302					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Jun97	93.16	93.00	93.15	+0.17	113,195
Sep97	93.49	93.35	93.49	+0.21	64,967
Dec97	93.60	93.45	93.57	+0.27	40,141
Mar98	93.60	93.44	93.59	+0.22	24,687
Jun98	93.53	93.38	93.54	+0.25	15,593
Sep98	93.46	93.33	93.45	+0.26	3,404
Dec98	93.31	93.24	93.38	+0.25	408
Mar99	93.24	93.24	93.33	+0.27	427
Est. sales: 74,451. Prev. sales: 78,342					
Prev. open int.: 263,222 up 5,923					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Jun 97	96.69	96.65	96.69	+0.05	54,658
Sep 97	96.61	96.56	96.60	+0.06	48,294
Dec 97	96.47	96.42	96.47	+0.06	30,366
Mar 98	96.32	96.27	96.32	+0.08	23,827
Jun 98	96.13	96.10	96.12	+0.06	18,577
Sep 98	95.94	95.90	95.94	+0.07	18,670
Dec 98	95.71	95.68	95.70	+0.07	12,732
Mar 99	95.47	95.38	95.46	+0.08	11,761
Jun 99	95.17	95.16	95.19	+0.08	6,592

	High	Low	Latest	Chge	Opint
Sep 99	94.91	94.89	94.92	+0.07	421
Dec 99	N.T.	N.T.	94.68	+0.06	5,827
Mar 00	94.45	94.41	94.45	+0.06	1,149
Est. volume: 53,769. Open int.: 232,873 off 5,625.					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
May 97	73.50	72.45	72.89	−0.11	31,963
Jul 97	74.95	74.05	74.40	+0.07	18,976
Oct 97	75.78	75.45	75.55	+0.22	1,927
Dec 97	76.49	76.10	76.42	+0.19	21,983
Mar 98	77.55	77.10	77.55	+0.35	2,408
May 98	78.20	78.00	78.20	+0.40	566
Est. sales N.A. Fri's. sales 8,398					
Fri's open int 78,605 off 707					
HEATING OIL (NMER) 42,000 gal, cents per gal					
May 97	54.50	53.05	53.13	−0.01	39,523
Jun 97	53.50	52.50	52.58	−0.06	22,069
Jul 97	53.65	52.80	52.88	−0.11	18,456
Aug 97	54.10	53.48	53.48	−0.11	9,959
Sep 97	55.00	54.28	54.28	−0.11	7,119
Oct 97	55.75	55.08	55.08	−0.11	7,793
Nov 97	56.60	55.83	55.83	−0.11	5,989
Dec 97	57.30	56.48	56.48	−0.11	10,842
Jan 98	57.75	56.88	56.88	−0.11	6,107
Feb 98	57.60	56.73	56.73	−0.11	2,861
Est. sales N.A. Fri's. sales 39,182					
Fri's open int 132,849 up 1283					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
May 97	19.62	19.15	19.20	+0.08	83,354
Jun 97	19.60	19.25	19.30	+0.08	66,340
Jul 97	19.64	19.30	19.34	+0.04	36,078
Aug 97	19.66	19.38	19.45	+0.10	24,538
Sep 97	19.67	19.51	19.63	+0.24	16,719
Oct 97	19.70	19.53	19.59	+0.17	15,164
Nov 97	19.74	19.59	19.62	+0.17	12,748
Dec 97	19.75	19.60	19.61	+0.14	30,146
Jan 98	19.62	19.62	19.62	+0.13	14,157
Feb 98	19.62	19.50	19.50	−0.01	7,453
Mar 98	19.62	19.60	19.60	+0.08	3,487
Apr 98	19.62	19.62	19.62	+0.09	3,748
May 98	19.77	19.77	19.77	+0.23	4,112
Est. sales N.A. Fri's. sales 102,637					
Fri's open int 403,770 off 38					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
May 97	1.990	1.925	1.946		31,799
Jun 97	2.030	1.990	2.009		16,747
Jul 97	2.035	2.000	2.021		13,585
Aug 97	2.045	2.015	2.035		10,029
Sep 97	2.045	2.020	2.045		10,273
Oct 97	2.070	2.040	2.060		11,262
Nov 97	2.215	2.195	2.205		6,071
Dec 97	2.350	2.330	2.345		10,279
Jan 98	2.400	2.375	2.385		10,667
Feb 98	2.330	2.310	2.320		4,663
Mar 98	2.215	2.190	2.210		4,244
Est. sales N.A. Fri's. sales 79,700					
Fri's open int 168,741 up 2016					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
May 97	61.50	60.55	60.72	+0.24	43,312
Jun 97	60.95	60.25	60.31	+0.36	26,546
Jul 97	60.10	59.40	59.51	+0.22	10,820
Aug 97	59.10	58.51	58.51	+0.12	5,167
Sep 97	57.85	57.21	57.21	+0.02	2,617
Oct 97			55.56	−0.03	1,677
Est. sales N.A. Fri's. sales 21,893					
Fri's open int 94,733 off 1585					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Apr 97	163.00	161.00	162.00	−0.25	18,430
May 97	164.50	162.25	163.25	−0.50	15,524
Jun 97	166.00	164.00	165.25	−0.50	10,134
Jul 97	167.50	166.00	167.00	−0.75	5,477
Aug 97	169.50	168.00	169.00	−0.75	3,041
Sept 97	171.25	170.50	171.00	−0.75	1,726
Oct 97	173.00	172.50	172.50	−1.25	2,227
Nov 97	174.50	173.25	173.75	−1.25	855
Dec 97	175.00	174.75	174.75	−1.25	7,203
Jan 98	N.T.	N.T.	175.25	−1.75	1,254
Est. sales: 15,944. Open int.: 67,274 up 572					
Stock Indexes					
S&P COMP. INDEX (CMER) 500 x index					
Jun 97	770.70	762.90	769.90	+7.30	177,030
Sep 97	778.00	774.00	778.00	+7.60	4,575
Dec 97	786.30	783.20	786.30	+7.50	3,057
Mar 98			788.00		105
Est. sales N.A. Fri's. sales 90,817					
Fri's open int 184,767 up 3887					
FTSE 100 (LIFFE) £25 per index point					
Jun97	4297.0	4267.0	4295.0	+42.0	61,791
Sep97	4309.0	4309.0	4319.0	+43.0	2,495
Est. sales: 9,113. Prev. sales: 15,623					
Prev. open int.: 64,286 off 976					
CAC 40 (MATIF) FF200 per index point					
Apr 97	2590.0	2547.0	2583.0	+67.00	23,909
May 97	2552.0	2535.5	2568.5	+67.00	3,845
Jun 97	2549.0	2508.0	2544.0	+67.00	19,405
Sep 97	2544.5	2544.5	2558.5	+66.50	8,651
Dec 97	N.T.	N.T.	2578.5	+66.50	0
Mar 98	N.T.	N.T.	2608.0	+67.00	7,637
Sep 98	N.T.	N.T.	2581.0	+67.00	1,210
Est. volume: 16,223. Open int.: 64,657 off 395.					

Commodity Indexes

	Close	Previous
Moody's	1,557.40	1,568.70
Reuters	1,950.10	1,949.60
D.J. Futures	156.06	156.17
CRB	240.67	240.36

GEC Fails In a 2d Bid In France

Paris Rebuffs Merger With Framatome

Bloomberg News

PARIS — Framatome said Monday its planned merger with GEC Alsthom was "improbable," dealing the second blow in a week to General Electric Co. of Britain's efforts to expand in France.

The merger between Framatome, a state-controlled maker of nuclear reactors, and GEC Alsthom, a joint venture of GEC and Alcatel Alsthom SA, failed after GEC refused to accept the French government's condition that it hold less than 50 percent in the new company, Framatome said.

GEC and Framatome are pursuing talks over ways to cooperate more closely, and both agree the merger makes strategic sense, the French company said. The proposed merger would have created one of the world's biggest electrical engineering companies, with $13.7 billion in annual sales, and a potential competitor for Asea Brown Boveri Ltd., a Swiss-Swedish conglomerate, and Westinghouse Electric Corp. of the United States.

On Friday, the French government, citing security reasons, barred the British company from bidding for a controlling stake in Thomson-CSF, a state-owned defense-electronics maker.

"The Framatome merger is a question of political football, much like Thomson-CSF," Neil Barton, an analyst at Merrill Lynch & Co., said. "There's no means of guessing from the outside how this could turn out."

GEC declined to comment on the talks. Executives of GEC Alsthom and Alcatel and government officials were not available for comment.

Framatome is 51 percent controlled by state-owned companies, and Paris wanted its French shareholders to retain at least 51 percent of the new company. Alcatel, Europe's biggest maker of telecommunications equipment, holds 44 percent.

Shares of Alcatel closed at 663 francs ($117.54) in Paris, up 2.47 percent. In London, GEC's shares closed at 385 pence ($6.32), up 2.

People behind the numbers: some of Britain's unemployed lining up to enter a government office on Tavistock Square in London.

U.K. Job Data: Tinting the Picture Rosy

Reuters

LONDON — The official unemployment statistics are impressive, at least on first reading.

Unemployment has fallen for 16 months in succession, hitting a six-year low of 6.2 percent of the work force in February.

That low level is unrivaled by any of Europe's other major economies, and the jobless total has fallen by a third since the Conservatives won the last election in 1992.

But scratch the surface, and cracks soon start to appear: Five years of economic growth have yielded only a tiny increase in employment; job creation is patchy, has fallen short of expectations and is growing below the rate that the monthly declines in unemployment would suggest.

Internationally approved calculations used in the government's own quarterly survey of the labor force paint a picture of the British jobs market that is less than remarkable.

In the three months ended in November 1996, unemployment as recorded by the labor force survey fell by just 32,000 — dramatically less than the 114,000 drop seen in claimant unemployment, which measures the number of people allowed to claim unemployment benefits, rather than those who would like a job but cannot find one.

Since 1992, employment has grown by just 388,000 in a work force of around 25 million, according to the survey. This is in sharp contrast to the official figures, which showed unemployment down by 771,400 to stand at 1,815,300 as of January. The quality of the new jobs that have been created also has been questioned.

"Of the new jobs created since 1992, two-thirds are part-time, and of the full-time jobs, around half are temporary," said Nick Isles, director of development at the Employment Policy Institute, an independent research group.

Another independent report, from Sheffield Hallam University, calculated that in January, unemployment was really more than double the official total of 1.8 million because large numbers of jobless people were "hidden" from the government's count. The difference was accounted for by unemployed people ineligible for benefits, those on government programs or the long-term jobless hidden among those listed as having retired early or permanently ill.

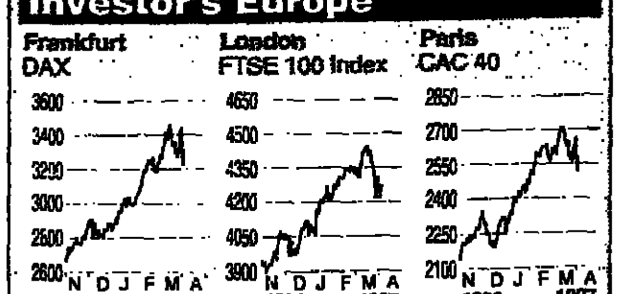
Some statisticians have lost patience with the quality of the data, especially since plans to produce monthly data using internationally recognized methodology were shelved last year because of funding constraints.

"The claimant count is not trusted, is not based on any agreed concept of unemployment, is inconsistent over time due to changes in the claimant system and cannot be used for international comparisons," the Royal Statistical Society said.

With a general election coming May 1, voters also are questioning the rosy picture painted by the official data.

A polling concern has found that despite the steady fall in the statistics, unemployment is the issue voters rate as the third most important facing Britain today, after education and health.

Investor's Europe



Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	AEX	727.59	708.43	+2.70
Brussels	BEL-20	2,115.85	2,080.67	+1.69
Frankfurt	DAX	3,312.88	3,244.93	+2.09
Copenhagen	Stock Market	N.A.	520.94	-
Helsinki	HEX General	2,821.86	2,734.35	+3.20
Oslo	OBX	589.08	572.14	+2.96
London	FTSE 100	4,271.60	4,236.60	+0.83
Madrid	Stock Exchange	473.06	466.12	+1.49
Milan	MIBTEL	11,931.00	11683	+2.12
Paris	CAC 40	2,577.78	2,517.97	+2.38
Stockholm	SX 16	2,875.07	2,800.06	+2.68
Vienna	ATX	1,178.29	1,167.80	+0.90
Zurich	SPI	2,903.15	2,836.53	+2.35

Source: Telekurs — International Herald Tribune

Very briefly:

- **Commerzbank AG**'s net profit rose 24 percent last year, to 1.21 billion Deutsche marks ($722.1 million); it cited a "dynamic" banking business and strict budget controls.
- **Linke-Hofmann-Busch GmbH**, **Siemens AG**'s train-making unit, and **GEC Alsthom**, a British-French venture, won a 1.6 billion DM order from Denmark's state-owned railway, **Danske Statsbaner**, to build 112 carriages.
- **Glaxo Wellcome PLC**'s shares fell 4 pence, to £10.86 ($17.81), after a U.S. appeals court ruled that **Novopharm Inc.** could sell a generic version of Glaxo's Zantac ulcer drug.
- **Spain's Labor Ministry** posted a March jobless rate of 13.89 percent, down from 14.11 percent in February; the figures reflect unemployment-insurance claims. The National Statistics Institute, which uses surveys to estimate unemployment, put the fourth-quarter rate at 21.8 percent.
- **Italy's** inflation fell to 2.2 percent year-on-year in March, less than half its level 12 months ago. *AFP, Bloomberg, Reuters*

Fokker's Hopes 'Negligible' as Rescue Collapses

Compiled by Our Staff From Dispatches

AMSTERDAM — Hopes for the survival of the Dutch aircraft maker Fokker NV all but evaporated Monday after a deal intended to get it back off the ground fell apart.

Fokker's receivers said the Dutch industrial-machinery concern Stork NV had pulled out of a deal to restart the collapsed company. Similar talks with Samsung Co. of South Korea fizzled last November.

"The chance of a possible restart definitely seems negligible," Fokker's receivers said. Last month, Fokker trustees, the Dutch government, Stork NV and Deleye Investment Group signed a memorandum of understanding aimed at restarting the company before May 1.

The parties had hoped for investment from Khazanah Holdings Bhd., an investment company owned by the Malaysian government. But Khazanah is not ready to invest in a new Fokker at this point, the receivers said. Stork, which owns the profitable Fokker aircraft-maintenance and parts units, announced it was no longer bound by the memorandum of understanding, which was the blueprint for a possible resurrection.

"The Fokker administrators have now concluded that any chance of a restart seems definitely off the cards," the receivers said.

They said Stork blamed its pull-out on the failure of Khazanah to guarantee enough financial support. Dutch press reports estimated start-up costs at 10 million guilders ($5.3 million). When Fokker collapsed last year, it closed the three units that made up 90 percent of its activities. KLM and other airlines gave Fokker several aircraft orders to keep it going until a rescuer could be found.

But its last three planes are nearly completed, and many employees have left in recent weeks, the receivers said. Fokker's aircraft-maintenance business was restarted under the name Fokker Aviation BV and acquired last year by Stork for about 300 million guilders.

(AP, Bloomberg, Reuters)

Spanish Rebate Helps Renault

Bloomberg News

PARIS — Shares of Renault rose sharply Monday after the Spanish government approved a rebate plan aimed at lifting auto sales and amid signs that workers at its Belgian plant would return to their jobs after a monthlong strike.

The Spanish government said it would offer new car buyers a rebate of 80,000 pesetas ($567) on registration fees if they turned in a used car that was more than 10 years old. The offer mirrors a French plan that ended last year. Separately, workers at Renault's Vilvoorde plant near Brussels are expected to vote Thursday to resume work after striking since Feb. 27 over plans to close the plant, a union official said. Renault shares closed at 139 French francs ($24.64), up 7.20.

WORLD STOCK MARKETS

Monday, April 7

Prices in local currencies.

Telekurs

Amsterdam

AEX index: 727.59 Previous: 708.43

	High	Low	Close	Prev.
ABN-AMRO	126.10	123.70	125.30	121.70
Aegon	127.80	124.60	127.50	124
Ahold	130.60	127	129.70	126.30
Akzo Nobel	267.80	264	267.30	262.90
Baan Co	92.50	88.50	89.50	85.80
Bols Wess cva	35.40	34.40	35.10	33.90
CSM cva	104	103.50	106.80	103.80
Dordtsche Pet	350	344.80	349.40	343.50
DSM	184	182	184	179.70
Elsevier	30.80	30.30	30.70	30
Fortis Amev	71	69.40	70.50	67.50
Getronics	60.50	59	59.50	58.90
G-Broc cva	60.30	59.50	60.10	58.70
Hagemeyer	158.90	155	158.40	154.70
Heineken	321.90	315.80	321.90	315.50
Hoogovens cva	91.60	88.90	91.10	87.80
Hunt Douglas	148	144.80	148	143.50
ING Group	73.90	72.20	73.40	70.60
KLM	56.40	55.30	56.40	54
KNP BT	39.80	39.10	39.70	38.90
KPN	69	67.80	68.70	67.50
Nedlloyd Gp	47	45	46.20	45.80
Nutricia	286	280.50	284	278.50
Oce Grinten	240	236.20	238.80	233.30
Philips Elec	88.90	86	87.70	83.50
Polygram	98	96	97.30	96.50
Randstad Hdg	160.50	158	160	157
Robeco	156.30	155.90	156.30	153.50
Rodamco	59.90	59.30	59.90	59.10
Rolinco	160.70	160.20	160.30	158.50
Rorento	108	107.80	107.80	107.40
Royal Dutch	327.60	322.80	326.70	321.10
Unilever cva	348.70	342	347.80	339.80
Vendex Intl	90	88.50	89.80	87.70
VNU	39.90	39	39.30	38.60
Wolters Kl cva	233.80	224.50	231.50	227.80

Market Closed

The Bangkok Stock market was closed Monday for a holiday.

Bombay

Sensex 30 index: 3520.49 Previous: 3550.37

	High	Low	Close	Prev.
Bajaj Auto	970	952.25	969.25	964.75
Hindust Lever	1048	1015	1045.75	1012
Hindust Petm	383	380	380.75	383
Ind Dev Bk	90.75	89.25	90.25	90.25
ITC	372.50	358	361	374.25
Mahanagar Tel	261.50	257.25	258	263.25
Reliance Ind	266.50	262.75	264.25	268.75
State Bk India	270	264.25	265.75	271.50
Steel Authority	19.25	19	19	19
Tata Eng Loco	366	362	364.50	367

Brussels

BEL-20 index: 2115.85 Previous: 2080.67

	High	Low	Close	Prev.
Almanij	13200	12900	13000	12825
Barco Ind	5960	5850	5910	5850
BBL	7700	7540	7690	7490
CBR	3395	3310	3395	3275
Colruyt	14275	13925	14275	13900
Delhaize Lion	1760	1685	1725	1730
Electrabel	7860	7830	7840	7800
Electrafina	3520	3400	3460	3580
Fortis AG	5950	5900	5950	5830
Gevaert	2540	2480	2535	2500
GBL	5050	5010	5050	5080
Gen Banque	13900	13375	13875	13300
Kredietbank	12575	12250	12475	12250
Petrofina	11875	11725	11875	11700
Powerfin	4900	4860	4900	4850
Royale Belge	8830	8670	8830	8610
Soc Gen Belg	3005	2955	3000	2940
Solvay	20550	20450	20525	20375
Tractebel	14875	14750	14875	14775
UCB	89400	88350	88750	88350

Copenhagen

Stock index: 520.94 Previous: 528.94

	High	Low	Close	Prev.
BG Bank	297	291	297	290
Carlsberg B	384	380	381	380
Codan Fors	870	870	870	870
Danisco	383	374	383	373
Den Danske Bk	556.39	551	553	553
D/S Svendborg B	265000	263000	264000	261000
D/S 1912 B	183549	182000	182000	182000
FLS Ind B	877.62	870	872.81	860
Kob Lufthavne	645	643	643	640
Nvo Nordisk B	656.96	640	654	641
Sophus Ber B	807	799.50	807	795
Tele Danmk B	338	335	338	333
Tryg Baltica	345	340	340	339
Unidanmark A	345	335	344	334

Frankfurt

DAX: 3312.88 Previous: 3244.93

	High	Low	Close	Prev.
AMB B	1350	1350	1350	1365
Adidas	184.50	181.50	182.50	180.20
Allianz Hdg	3292	3251	3253	3164
Altana	1358	1340	1358	1324
Bk Berlin	32.60	32.40	32.55	32.25
BASF	66.50	65.50	65.95	63.65
Bayer Hypo Bk	55.90	55.50	55.50	54.90
Bay.Vereinsbank	67.70	67	67	65.50
Bayer	68.99	68.55	68.88	66.59
Beiersdorf	90	88.50	89	87.50
Bewag	447	444	446	452
BMW	1288	1279	1282	1275
CKAG Colonia	149.50	149	149	147.50
Commerzbank	46.35	45.90	46.10	45.50
Daimler Benz	129.50	127.20	128.80	123.85
Degussa	704.50	697	704.50	686
Deutsche Bank	90.95	90.50	90.60	89.37
Deut Telekom	37.05	36.85	37.03	35.67
Dresdner Bank	58.60	58.35	58.60	57.95
Fresenius	352	345	340	342
Fresenius Med	153.60	152.30	152.30	151.70
Fried. Krupp	308	306	306	309
Gehe	114.80	114	114.50	110.90
Heidelbg Zmt	141.50	139.80	141.50	140.50
Henkel pfd	89	86.90	87.40	86
HEW	492	492	0.00	0.00
Hochtief	72.50	70.50	72	70.50
Hoechst	67.40	66.30	66.60	65
Karstadt	545	533	533	534
Linde	1130	1110	1110	1111
Lufthansa	22.75	22.35	22.70	21.70
MAN	460	453	453.50	444
Mannesmann	633	628	628	626
Metallgesellschaft	36.80	36.70	36.78	36.80
Metro	161.50	156.50	158	159
Munch Rueck R	4180	4155	4157	4125
Preussag	440.50	433	435	441
Rheinelektra	1238	1220	1225	1200
RWE	69	67.90	68.25	68
SAP pfd	281	279.20	279.50	272.50
Schering	166.90	165.70	166.50	159.45
SGL Carbon	235	232	232.50	227.70
Siemens	87.75	87.05	87.55	85.88
Springer (Axel)	1240	1240	0.00	0.00
Suedzucker	845	835	845	828
Thyssen	358	355.50	356	353
Veba	89.95	89.05	89.40	88.50
VEW	500	500	500	500
Viag	741.50	739	741.25	736
Volkswagen	912.50	907.50	911.50	887

Helsinki

HEX General index: 2821.86 Previous: 2734.35

	High	Low	Close	Prev.
Enso A	44	42.50	43.20	41.50
Huhtamaki I	244	242.10	242.50	243
Kemira	51.80	51	51.50	51
Kesko	71	70	71	70.50
Merita A	16.40	16	16.40	15.70
Metra B	289	286	288.30	286
Metsa-Serla B	38.20	36.50	38	35.50
Neste	126.10	125	125.50	125
Nokia A	302	291	301	281
Orion-Yhtymae	195	194.50	194.50	194.60
Outokumpu A	88	86.50	88	87.50
UPM-Kymmene	111	105.50	111	105
Valmet	87.50	86	86.10	86.50

Hong Kong

Hang Seng: 12287.84 Previous: 12204.59

	High	Low	Close	Prev.
Amoy Props	8.15	8.05	8.10	8.05
Bk East Asia	26.10	25.95	26.05	25.85
Cathay Pacific	11.85	11.70	11.75	11.70
Cheung Kong	65.50	64.50	64.75	64.50
CK Infrastruct	21.75	21.50	21.50	21.55
China Light	33.60	33.30	33.50	33.30
Citic Pacific	38.10	37.50	37.50	37.90
Dao Heng Bk	34.40	33.40	33.40	33.70
First Pacific	9.75	9.55	9.65	9.70
Hang Lung Dev	14.60	14.40	14.60	14.35
Hang Seng Bk	80	78.25	78.50	79.25
Henderson Inv	7.70	7.60	7.70	7.50
Henderson Ld	62.75	62	62.50	61.75
HK China Gas	14.60	14.45	14.55	14.30
HK Electric	27.40	27.25	27.30	27.10
HK Telecomm	13.35	13.20	13.30	13.15
Hopewell Hdgs	4.03	3.95	4	3.95
HSBC Hdgs	179.50	178	178.50	176.50
Hutchison Wh	56	55.25	55.50	55.25
Hysan Dev	23.15	22.90	22.95	22.80
Johnson El Hdg	19	18.60	19	18.45
Kerry Props	17.80	17.75	17.75	17.75
New World Dev	41.70	41.30	41.30	41.30
Oriental Press	3	2.93	2.93	3
Pearl Oriental	5.85	5.75	5.80	5.85
SHK Props	79	77.75	77.75	77.75
Shun Tak Hdgs	5.10	5	5.10	5.10
Sino Land Co.	7.55	7.35	7.50	7.45
Sth China Post	6.65	6.50	6.65	6.50
Swire Pac A	61.50	60.25	60.75	60.75
Wharf Hdgs	30.60	30	30.50	29.75
Wheelock	17.10	16.30	16.80	16.30

Jakarta

Composite index: 636.64 Previous: 637.43

	High	Low	Close	Prev.
Astra Intl	5850	5700	5850	5700
Bk Intl Indon	1725	1725	1725	1725
Bk Negara	1300	1275	1300	1300
Gudang Garm	10250	10100	10200	10125
Indocement	3175	3125	3125	3225
Indofood	5075	4975	5050	5025
Indosat	6425	6300	6425	6325
Sampoerna HM	10425	10250	10300	10375
Semen Gresik	5900	5650	5900	5675
Telekomunikasi	3575	3525	3575	3525

Johannesburg

All Market: 7874.73 Previous: 7815.79

	High	Low	Close	Prev.
Amalgamtd Bks	29.10	28.20	28.25	28.25
AngloAm Coal	296	295.25	298	298
AngloAm Corp	277	275	273	273
AngloAm Gold	307	305	307	307
AngloAm Ind	179.25	178	177.50	177.50
AVMIN	18.50	18.25	18.55	18.55
Barlow	49.35	49.20	49.20	49.20
C.G. Smith	26.25	26	25.85	25.85
De Beers	167.50	165.25	164	164
Driefontein	41.25	40.95	40.30	40.30
Fst Natl Bk	30.20	28.50	28.50	28.50
Gencor	19.95	19.75	19.75	19.75
GFSA	107	104	102.50	102.50
Imperial Hdgs	56.50	56.25	56	56
Ingwe Coal	28.95	28.10	28.10	28.10
Iscor	3.47	3.44	3.44	3.44
Johnnies Indl	60	59.25	59.25	59.25
Liberty Hdgs	326.50	322	323	323
Liberty Life	125.50	123.50	123.25	123.25
LibLife Strat	15.75	15.30	15.15	15.15
Minorco	101.25	100.50	101.25	101.25
Nampak	19	18.50	18.50	18.50
Nedcor	89	85.50	85	85
Rembrandt Gp	47.25	46.90	47	47
Richemont	57.50	56.50	57.25	57.25
Rust Platinum	70	68.75	70	70
SA Breweries	138.75	137.25	137.50	137.50
Samancor	53.25	53.25	53.75	53.75
Sasol	49.50	48.80	48.75	48.75
SBIC	184.25	178.50	178	178
Tiger Oats	78.50	77.75	77.25	77.25

Kuala Lumpur

Composite: 1134.23 Previous: 1136.78

	High	Low	Close	Prev.
AMMB Hdgs	18.70	18.10	18.60	18.10
Genting	15.80	15	15.10	14.90
Mal Banking	27	26	26.50	27
Mal Intl Ship F	0.00	0.00	0.00	5.90
Petronas Gas	8.90	8.70	8.80	8.70
Proton	15.50	14.90	15.10	15.30
Public Bk	0.00	0.00	0.00	4.50
Renong	3.90	3.72	3.72	3.82
Resorts World	10.40	9.95	10	9.90
Rothmans PM	22.70	22.40	22.40	22
Sime Darby	8.50	8.20	8.45	8.50
Telekom Mal	18.90	18.60	18.80	18.80
Tenaga	11.80	11.50	11.60	11.80
Utd Engineers	20.50	19.50	19.80	20.30
YTL	12.40	11.90	12	12.20

London

FT-SE 100: 4272.80 Previous: 4236.60

	High	Low	Close	Prev.
Abbey Natl	7.60	7.40	7.58	7.42
Allied Domecq	4.55	4.47	4.47	4.50
Anglian Water	6.47	6.35	6.36	6.43
Argos	6.88	6.76	6.80	6.85
Asda Group	1.08	1.06	1.07	1.07
Assoc Br Foods	5.38	5.25	5.29	5.36
BAA	5.10	5.03	5.04	5.04
Barclays	10.55	10.29	10.49	10.29
Bass	8.19	8.08	8.17	8.11
BAT Ind	5.25	5.16	5.16	5.20
Bank Scotland	3.26	3.20	3.22	3.20
Blue Circle	4.10	4.05	4.09	4.08
BOC Group	9.48	9.41	9.44	9.44
Boots	6.87	6.81	6.83	6.83
BPB Ind	3.33	3.27	3.30	3.30
Brit Aerosp	13.70	13.49	13.63	13.51
Brit Airways	6.42	6.30	6.47	6.38
BG	1.79	1.76	1.77	1.74
Brit Land	5.45	5.37	5.45	5.37
Brit Petm	6.93	6.71	6.80	6.71
BSkyB	6.18	6.03	6.10	6.16
Brit Steel	1.76	1.59	1.59	1.61
Brit Telecom	4.52	4.31	4.33	4.29
BTR	2.62	2.52	2.57	2.60
Burmah Castrol	10.22	10	10.17	9.98
Burton Gp	1.53	1.51	1.53	1.52
Cable Wireless	5.07	4.97	5	4.96
Cadbury Schw	5.37	5	5.35	5.36
Carlton Comm	5.20	5.08	5.16	5.11
Comml Union	6.57	6.48	6.50	6.48
Compass Gp	6.63	6.58	6.62	6.63
Courtaulds	3.52	3.47	3.49	3.49
Dixons	5.52	5.45	5.47	5.47
Electrocomponents	4	3.97	4	3.97
EMI Group	11.70	11.50	11.60	11.57
Energy Group	5.06	5	5.03	5.05
Enterprise Oil	6.24	6.19	6.22	6.20
Fam Colonial	1.52	1.50	1.51	1.51
Genl Accident	8.10	7.99	8.02	8.01
GEC	3.87	3.81	3.85	3.83
GKN	9.85	9.75	9.78	9.78
Glaxo Wellcome	10.94	10.78	10.86	10.90
Granada Gp	9.17	9.13	9.17	9.14
Grand Met	4.82	4.73	4.81	4.77
GRE	2.80	2.74	2.77	2.74
Greenalls Gp	5.33	5.27	5.29	5.31
Guinness	5.13	4.95	5.02	4.99
GUS	6.44	6.35	6.42	6.39
Hays	5.32	5.28	5.28	5.32
HSBC Hldgs	14.73	14.10	14.25	13.92
ICI	7.17	7	7.16	7.01
Impl Tobacco	4.12	4.10	4.10	4.12
Kingfisher	6.78	6.69	6.76	6.70
Ladbroke	2.27	2.23	2.27	2.24
Land Sec	7.75	7.63	7.75	7.66
Lasmo	2.24	2.15	2.23	2.19
Legal Genl Grp	3.94	3.80	3.92	3.88
Lloyds TSB Gp	5.08	4.86	5	4.92
LucasVarity	2.05	1.98	2.04	1.98
Marks Spencer	4.96	4.91	4.94	4.93
MEPC	4.62	4.58	4.61	4.56
Mercury Asset	12.66	12.50	12.58	12.58
National Grid	2.13	2.10	2.11	2.12
Natl Power	5.08	5	5.02	5.06
NatWest	7.05	6.83	7.01	6.90
Next	6.18	6.07	6.14	6.08
Orange	2.10	2.08	2.09	2.09
P&O	6.32	6	6.18	6.30
Pearson	7.97	7.30	7.38	7.42
Pilkington	1.22	1.17	1.18	1.21
PowerGen	6.17	6.05	6.10	6.16
Premier Farnell	4.65	4.55	4.55	4.60
Prudential	6.15	5.59	5.64	5.59
Railtrack PP	4.30	4.27	4.22	4.27
Rank Group	4.60	4.46	4.48	4.48
Reckitt Coln	7.95	7.87	7.90	7.90
Redland	3.62	3.55	3.59	3.58
Reed Intl	11.27	11.05	11.24	11.09
Rentokil Initial	4.08	4.05	4.07	4.05
Reuters Hldgs	6.84	5.80	6	5.88
Rexam	3.36	3.30	3.31	3.34
RMC Group	9.87	9.68	9.85	9.69
Rolls Royce	2.49	2.43	2.45	2.45
Royal Bk Scot	5.38	5.20	5.38	5.24
RTZ reg	9.64	9.55	9.59	9.59
Royal & Sun All	4.47	4.42	4.43	4.43
Safeway	3.66	3.64	3.66	3.64
Sainsbury	3.37	3.32	3.34	3.34
Schroders	16	15.80	15.93	15.83
Scot Newcastle	6.77	6.63	6.76	6.65
Scot Power	3.67	3.59	3.67	3.62
Securicor	2.87	2.83	2.84	2.85
Severn Trent	7.13	7	7	7.08
Shell Transp R	10.43	10.34	10.38	10.41
Siebe	10.05	9.86	9.96	9.87
Smith Nephew	1.75	1.73	1.74	1.73
SmithKline	8.95	8.60	8.90	8.57
Smiths Ind	7.95	7.90	7.92	7.92
Sthern Elec	4.07	3.95	4.02	3.96
Stagecoach	6.51	6.40	6.42	6.40
Stand Charter	8.42	8.28	8.38	8.26
Tate & Lyle	4.33	4.30	4.30	4.33
Tesco	3.54	3.49	3.52	3.49
Thames Water	6.78	6.62	6.64	6.77
3i Group	5.19	5.06	5.08	5.08
TI Group	5.57	5.48	5.56	5.51
Tomkins	2.79	2.73	2.74	2.74
Unilever	15.50	15.15	15.27	15.41
Utd Assurance	4.79	4.72	4.72	4.74
Utd News	7.40	7.23	7.37	7.25
Utd Utilities	6.37	6.25	6.34	6.33
Vendome Lx uts	5.24	5.18	5.19	5.10
Vodafone	2.79	2.74	2.79	2.73
Whitbread	7.74	7.62	7.72	7.64
Williams Hdgs	3.17	3.14	3.14	3.16
Wolseley	4.85	4.78	4.85	4.81
WPP Group	2.51	2.45	2.51	2.46
Zeneca	17.93	17.38	17.67	17.40

Madrid

Bolsa index: 473.06 Previous: 466.12

	High	Low	Close	Prev.
Acerinox	20630	20180	20540	19800
ACESA	1665	1615	1655	1595
Aguas Barcelon	5400	5330	5390	5250
Argentaria	6160	6080	6120	6050
BBV	8680	8500	8650	8450
Banesto	1105	1085	1090	1085
Bankinter	19050	18900	19000	18910
Bco Centro Hisp	3800	3755	3800	3730
Bco Exterior	2780	2750	2750	2780
Bco Popular	25950	25380	25880	25200
Bco Santander	9740	9580	9700	9500
CEPSA	4225	4150	4200	4120
Continente	2530	2465	2525	2440
Corp Mapfre	7280	7030	7100	7080
Endesa	9310	9200	9290	9100
FECSA	1190	1170	1190	1160
Gas Natural	31600	30400	31490	30390
Iberdrola	1600	1560	1595	1540
Pryca	2640	2585	2615	2545
Repsol	5960	5880	5960	5840
Sevillana Elec	1310	1285	1300	1290
Tabacalera	7000	6870	6970	6950
Telefonica	3390	3355	3390	3300
Union Fenosa	1200	1170	1200	1165
Valenc Cement	1775	1715	1765	1760

Manila

PSE index: 2990.96 Previous: 3060.59

	High	Low	Close	Prev.
Ayala B	25.50	25	25.50	26
Ayala Land	27	24.75	25	27
Bk Philip Isl	166	160	161	167
C&P Homes	11.75	10.50	10.50	11.25
Manila Elec A	121	119	119	121
Metro Bank	675	640	640	670
Petron	10.25	10	10.25	10.25
PCIBank	375	350	350	340
Phil Long Dist	1570	1545	1555	1575
San Miguel B	81.50	75.50	80	81
SM Prime Hdg	7.40	7.10	7.20	7.40

Mexico

Bolsa index: 3785.20 Previous: 3752.63

	High	Low	Close	Prev.
Alfa A	43.80	43.80	43.60	42.80
Banacci B	18.44	18.00	18.44	17.80
Cemex CPO	29.00	28.90	28.90	28.55
Cifra C	10.96	10.92	10.96	10.88
Emp Moderna	39.15	39.00	39.15	39.05
Gpo Carso A1	45.85	45.35	45.85	45.10
Gpo F Bcomer	1.80	1.76	1.79	1.78
Gpo Fin Inbursa	28.50	28.25	28.40	28.20
Kimb Clark Mex	31.70	31.10	31.10	31.30
Televisa CPO	101.20	101.00	101.10	100.40
TelMex L	15.86	15.76	15.84	15.68

Milan

MIB Telematico: 11932.00 Previous: 11683.00

	High	Low	Close	Prev.
Alleanza Assic	11780	11355	11550	11325
Bca Comm Ital	3425	3315	3400	3320
Bca Fideuram	4330	4190	4330	4225
Bca di Roma	1200	1170	1208	1167
Benetton	21550	21000	21500	21300
Credito Italiano	2420	2365	2410	2400
Edison	8645	8390	8575	8300
ENI	8190	8065	8180	8040
Fiat	5375	5290	5365	5250
Generali Assic	30150	29900	30050	29800
IMI	15080	14605	14985	14590
INA	2280	2270	2290	2255
Italgas	5695	5460	5690	5400
Mediaset	6935	6705	6930	6710
Mediobanca	10060	9775	10000	9625
Montedison	1180	1081	1084	1077
Olivetti	618	604	612	616
Parmalat	2470	2365	2440	2390
Pirelli	3660	3610	3660	3580
RAS	14895	14620	14740	14570
Rolo Banca	15095	14700	15045	14950
S Paolo Torino	11045	10815	10940	10850
Stet	7800	7535	7780	7465
Telecom Italia	4415	4300	4400	4250
TIM	4850	4745	4830	4645

Montreal

Industrials index: 2821.63 Previous: 2793.73

	High	Low	Close	Prev.
Bce Mob Com	40½	40½	40½	40½
Cdn Tire A	24.90	24¼	24¼	24¼
Cdn Util A	30¼	30¼	30¼	30½
CT Finl Svc	33¼	33¼	33¼	33
Gaz Metro	17	16.80	17	16¾
Gt-West Lifeco	22¼	22	22.15	22.05
Imasco	34	33.90	33.90	34
Investors Grp	23.80	23.65	23¾	23.90
Loblaw Cos	17	17	17	16.85
Natl Bk Canada	14¼	14.05	14.20	13.95
Power Corp	28	27.70	27.80	28.10
Power Finl	26	25.95	26	25¾
Quebecor B	25	24.90	25	24.90
Rogers Comm B	7.70	7½	7.60	7.35
Royal Bk Cda	54.80	54.40	54½	54

Oslo

OBX index: 589.33 Previous: 572.14

	High	Low	Close	Prev.
Aker A	181.50	173	180	172
Bergesen Dy A	145	142.50	144	141.50
Christiania Bk	24.50	24.10	24.50	24.10
Den norske Bk	28	27.40	27.70	27.50
Elkem	125	119	125	117.50
Hafslund A	44.50	43.50	44.50	43.50
Kvaerner Asa	341	337	341	333
Norsk Hydro	328.50	328	328	317
Norske Skog A	220	213	220	210
Nycomed A	102.50	100	102.50	98
Orkla Asa A	540	520	538	520
Petm Geoevc	284	276	282	270
Saga Petm A	112.50	109.50	112.50	108
Schibsted	130	128	129	127
Transocean Off	398	370	398	362
Storebrand Asa	47.20	46.40	46.70	46

Paris

CAC-40: 2572.71 Previous: 2517.97

	High	Low	Close	Prev.
Accor	823	800	816	798
AGF	204	199.20	202	199.80
Air Liquide	852	838	846	831
Alcatel Alsth	665	656	663	647
Axa-UAP	368	363	365.60	363.40
Bancaire	725	711	712	712
BIC	875	844	847	837
BNP	245.90	242	243.60	239
Canal Plus	1043	1020	1035	1014
Carrefour	3457	3389	3422	3353
Casino	248.80	243	246.50	242
CCF	252.80	247.80	250	247
Cetelem	662	647	647	656
Christian Dior	819	803	803	808
CLF-Dexia Fran	582	565	575	556
Credit Agricole	1275	1255	1275	1252
Danone	884	866	875	855
Elf-Aquitaine	549	526	543	525
Eridania BS	914	871	871	910
Eurodisney	10	9.90	9.90	9.95
Eurotunnel	6.70	6.60	6.65	6.65
Gen. Eaux	772	761	763	753
Havas	404.80	396.50	401	388.40
Imetal	833	821	825	826
Lafarge	377.90	371.50	376	370
Legrand	1034	994	1029	984
L'Oreal	1915	1875	1900	1834
LVMH	1340	1319	1321	1302
Lyon. Eaux	552	540	542	533
Michelin B	337	326.90	330	322.70
Paribas A	370.50	366.10	366.70	360
Pernod Ricard	309.90	301	305.80	307.90
Peugeot Cit	621	610	612	601
Pinault-Print	2340	2299	2340	2242
Promodes	1894	1871	1879	1864
Renault	141.80	134.10	139	131.80
Rexel	1645	1625	1639	1630
Rh-Poulenc A	180	175.20	179.20	175
Sanofi	540	526	537	520
Schneider	318.90	310	313	305.50
SEB	1019	991	1005	994
SGS Thomson	420	405.40	419.90	384
Ste Generale	649	625	645	619
Sodexho	2820	2763	2799	2776
St Gobain	809	801	802	790
Suez	288	283.30	283.30	280
Synthelabo	598	565	597	561
Thomson CSF	190	184.50	189.20	186.50
Total B	472.80	467.40	471.60	465
Usinor	90	87.70	90	89
Valeo	369	362.60	366	356.90

São Paulo

Bovespa index: 9917.58 Previous: 9705.25

	High	Low	Close	Prev.
Bradesco Pfd	8.95	8.85	8.90	8.85
Brahma Pfd	708.00	705.00	705.00	705.00
Cemig Pfd	48.40	47.00	48.10	46.60
CESP Pfd	59.90	57.00	59.20	55.50
Copel	17.20	16.50	17.20	16.30
Eletrobras	476.00	460.00	474.00	455.00
Itaubanco Pfd	552.00	549.99	552.00	550.00
Light Servicios	452.00	441.00	441.00	456.00
Lightpar	370.00	350.00	370.00	345.00
Petrobras Pfd	212.00	206.00	211.00	206.50
Paulista Luz	165.00	160.00	164.50	157.00
Sid Nacional	38.10	37.90	38.00	37.90
Souza Cruz	9.00	8.99	9.00	8.98
Telebras Pfd	125.80	122.80	125.10	122.00
Telemig	173.00	169.50	170.00	165.00
Telerj	180.00	175.00	178.00	174.50
Telesp Pfd	322.00	318.00	319.50	317.99
Unibanco	39.55	39.30	39.50	39.50
Usiminas Pfd	1.21	1.19	1.20	1.20
CVRD Pfd	25.00	24.01	24.99	24.80

Seoul

Composite index: 694.90 Previous: 687.42

	High	Low	Close	Prev.
Dacom	102500	100000	102500	100000
Daewoo Heavy	4980	4850	4880	4800
Hyundai Eng.	19500	18500	19500	18100
Kia Motors	15600	15400	15600	15600
Korea El Pwr	26800	26500	26700	26300
Korea Exch Bk	6100	5980	6000	5930
Korea Mob Tel	480000	464000	464000	464000
LG Semicon	29200	27700	29000	27700
Pohang Iron St	54500	52500	53800	52300
Samsung Display	43800	42700	43000	43000
Samsung Elec	64300	61500	63800	62000
Shinhan Bank	11100	10600	11000	10800

Singapore

Straits Times: 2088.14 Previous: 2075.78

	High	Low	Close	Prev.
Asia Pac Brew	7.30	7.30	7.30	7.05
Cerebos Pac	9.50	9.40	9.40	9.40
City Devlts	13.80	13.60	13.70	13.60
Cycle Carriage	15.50	15.40	15.50	15.40
Dairy Farm Intl *	0.75	0.73	0.73	0.78
DBS foreign	0.00	0.00	0.00	18.10
DBS Land	5.25	5.10	5.15	5
Fraser & Neave	11.90	11.80	11.90	11.70
HK Land *	2.35	2.30	2.31	2.38
Jard Matheson *	5.85	5.60	5.60	5.85
Jard Strategic *	3.58	3.50	3.58	3.58
Keppel	9.30	9.15	9.20	9.10
Keppel Bank	3.96	3.90	3.90	3.92
Keppel Fels	4.52	4.48	4.52	4.48
Keppel Land	4.52	4.46	4.48	4.50
OCBC foreign	0.00	0.00	0.00	17.90
OS Union Bk F	0.00	0.00	0.00	10.40
Parkway Hdgs	6	5.85	6	5.80
Sembawang	7.05	6.90	6.90	6.95
Sing Air foreign	0.00	0.00	0.00	11.50
Sing Land	7.30	7.25	7.25	7.20
Sing Press F	0.00	0.00	0.00	27
Sing Tech Ind	3.74	3.68	3.74	3.68
Sing Telecomm	2.94	2.90	2.92	2.91
Tat Lee Bank	3.44	3.42	3.42	3.42
Utd Industrial	1.16	1.14	1.14	1.15
Utd O'Sea Bk F	0.00	0.00	0.00	15.70
Wing Tai Hdgs	4.36	4.26	4.36	4.20

*: In U.S. dollars.

Stockholm

SX 16 index: 2875.51 Previous: 2800.06

	High	Low	Close	Prev.
AGA B	107.50	106	107	106
ABB A	860	832	853	851
AssiDoman	201	199	200.50	198
Astra A	358.50	350	358	347
Atlas Copco A	187.50	182	186.50	179.50
Autoliv	314	304	314	300
Electrolux B	475	466.50	469.50	464
Ericsson B	255.50	250	254	246.50
Hennes B	1000	988	995	977
Incentive A	507	500	505	500
Investor B	350	344	349	339
MoDo B	230	226	227	222
Nordbanken	255	249	251	246
Pharm/Upjohn	284	275	284	272
Sandvik B	199	192	199	192
Scania B	184	181	183.50	182
SCA B	165.50	157	165	157
S-E Banken A	81.50	80	81	80
Skandia Fors	220	216.50	219	213
Skanska B	333	325	328	322
SKF B	194	188	193.50	188
Sparbanken A	136	133	135	132.50
Stadshypotek A	190	190	190	190
Stora A	102.50	99.50	102.50	98.50
Sv Handles A	226	222	225	221
Volvo B	193.50	190.50	193	188

Sydney

All Ordinaries: 2366.80 Previous: 2369.50

	High	Low	Close	Prev.
Amcor	8.18	8.12	8.15	8.15
ANZ Bking	8.18	8.03	8.07	8.02
BHP	17.15	16.81	16.88	16.99
Boral	3.61	3.59	3.59	3.59
Brambles Ind.	20.35	20.11	20.20	20.05
CBA	12.63	12.45	12.53	12.50
CC Amatil	14.44	14	14.13	14.20
Coles Myer	6	5.93	5.97	5.97
Comalco	6.40	6.30	6.38	6.35
CRA	19.10	18.79	18.95	18.77
CSR	4.70	4.61	4.65	4.64
Fosters Brew	2.63	2.55	2.57	2.62
Goodman Fid	1.66	1.64	1.66	1.66
ICI Australia	11.20	11.10	11.10	11.10
Lend Lease	21.70	21.55	21.63	21.60
MIM Hdgs	1.67	1.64	1.67	1.64
Nat Aust Bank	15.76	15.48	15.54	15.62
Nat Mutual Hdg	1.84	1.81	1.84	1.82
News Corp	5.90	5.78	5.80	5.79
Pacific Dunlop	3.27	3.17	3.19	3.26
Pioneer Intl	4.13	4.06	4.06	4.10
Pub Broadcast	6.60	6.50	6.52	6.52
St George Bank	7.67	7.58	7.65	7.56
WMC	7.85	7.68	7.70	7.82
Westpac Bking	6.93	6.79	6.82	6.83
Woodside Pet	9.20	9.15	9.18	9.18
Woolworths	3.50	3.47	3.48	3.49

Taipei

Stock Market index: 8517.70 Previous: 8365.57

	High	Low	Close	Prev.
Cathay Life Ins	169	165	166	167
Chang Hwa Bk	176	173	173	174
Chiao Tung Bk	79	76	79	78
China Develpmt	124.50	118	124.50	116.50
China Steel	30.30	29.10	30.20	28.50
First Bank	177	174	175	175
Formosa Plastic	70	69	69	69.50
Hua Nan Bk	134	131	131.50	132.50
Intl Comm Bk	76.50	74	76.50	74
Nan Ya Plastics	64	63	63	63.50
Shin Kong Life	103.50	100.50	101	102
Taiwan Semi	78	73.50	78	73
Tatung	58	56.50	57.50	56.50
Utd Micro Elec	61.50	59	61.50	57.50
Utd World Chin	73	70.50	73	70.50

Tokyo

Nikkei 225: 17715.67 Previous: 17860.59

	High	Low	Close	Prev.
Ajinomoto	970	952	953	960
All Nippon Air	752	729	736	753
Amway	3450	3390	3410	3410
Asahi Bank	747	717	726	748
Asahi Chem	660	645	649	641
Asahi Glass	1080	1060	1070	1070
Bk Tokyo Mitsu	1940	1880	1890	1890
Bk Yokohama	541	531	534	555
Bridgestone	2530	2480	2490	2430
Canon	2830	2780	2820	2790
Chubu Elec	2070	2030	2040	2060
Chugoku Elec	2040	2010	2020	2040
Dai Nipp Print	2140	2110	2130	2100
Daiei	567	525	554	533
Dai-Ichi Kang	1310	1260	1260	1280
Daiwa Bank	390	349	369	402
Daiwa House	1450	1390	1390	1440
Daiwa Sec	830	775	780	830
DDI	8310a	8200a	8210a	8320a
Denso	2400	2360	2380	2390
East Japan Ry	5440a	5390a	5400a	5410a
Eisai	2080	2040	2070	2030
Fanuc	4060	3980	3990	4050
Fuji Bank	1420	1360	1360	1390
Fuji Photo	4330	4260	4290	4330
Fujitsu	1290	1270	1270	1270
Hachijuni Bk	1120	1100	1100	1110
Hitachi	1140	1110	1110	1130
Honda Motor	3890	3720	3850	3690
IBJ	1250	1190	1200	1240
IHI	433	416	416	425
Itochu	583	556	557	587
Ito-Yokado	5750	5600	5600	5810
JAL	470	460	462	470
Japan Tobacco	8260a	8180a	8210a	8260a
Jusco	3630	3540	3590	3550
Kajima	535	511	529	536
Kansai Elec	2170	2110	2110	2140
Kao	1330	1300	1310	1330
Kawasaki Hvy	498	489	489	494
Kawa Steel	363	357	360	360
Kinki Nipp Ry	738	729	737	733
Kirin Brewery	984	964	973	981
Kobe Steel	224	220	221	223
Komatsu	871	852	855	870
Kubota	521	504	506	521
Kyocera	7410	7320	7360	7370
Kyushu Elec	2120	2050	2090	2130
LTCB	381	349	352	390
Marubeni	479	468	461	479
Marui	1830	1730	1750	1830
Matsu Comm	3230	3140	3140	3200
Matsu Elec Ind	1950	1930	1940	1940
Matsu Elec Wk	1200	1180	1180	1190
Mitsubishi	1100	1080	1090	1090
Mitsubishi Ch	375	361	366	380
Mitsubishi El	702	685	685	694
Mitsubishi Est	1380	1360	1370	1360
Mitsubishi Hvy	818	803	812	815
Mitsubishi Mat	915	905	912	915
Mitsubishi Tr	1180	1140	1150	1160
Mitsui	937	920	925	928
Mitsui Fudosn	1330	1290	1310	1320
Mitsui Trust	660	595	598	669
Murata Mfg	4730	4700	4720	4750
NEC	1490	1470	1480	1470
Nikon	1740	1710	1730	1710
Nikko Sec	660	609	616	655
Nintendo	9050	8900	8900	9000
Nipp Express	861	841	850	860
Nippon Oil	499	492	492	493
Nippon Steel	367	359	359	359
Nissan Motor	774	749	767	745
NKK	266	261	262	265
Nomura Sec	1330	1240	1260	1330
NTT	8550a	8450a	8450a	8530a
NTT Data	3410b	3370b	3390b	3390b
Oji Paper	625	602	610	627
Osaka Gas	287	283	283	284
Ricoh	1490	1470	1480	1480
Rohm	9550	9420	9550	9280
Sakura Bk	699	650	650	689
Sankyo	3440	3390	3430	3430
Sanwa Bank	1350	1310	1310	1320
Sanyo Elec	466	449	455	457
Secom	7040	6960	7040	7000
Seibu Rwy	5710	5670	5710	5680
Sekisui Chem	1170	1130	1140	1170
Sekisui House	1180	1160	1170	1190
Seven-Eleven	7750	7630	7650	7730
Sharp	1490	1460	1470	1470
Shikoku El Pwr	1980	1950	1960	2000
Shimizu	616	582	588	614
Shin-etsu Ch	2460	2440	2460	2440
Shiseido	1610	1600	1600	1620
Shizuoka Bk	1070	1060	1060	1070
Softbank	7740	7620	7700	7630
Sony	9030	8940	8980	8940
Sumitomo	880	861	868	863
Sumitomo Bk	1450	1350	1360	1430
Sumit Chem	495	479	479	491
Sumitomo Elec	1710	1690	1690	1700
Sumit Metal	299	293	299	297
Sumit Trust	980	960	966	1000
Taisho Pharm	3160	3100	3130	3120
Takeda Chem	2760	2740	2740	2720
TDK	9030	8900	9000	8890
Tohoku El Pwr	1990	1950	1970	2010
Tokai Bank	950	924	935	944
Tokio Marine	1240	1220	1220	1230
Tokyo El Pwr	2280	2230	2230	2260
Tokyo Electron	4630	4570	4600	4600
Tokyo Gas	297	288	288	297
Tokyu Corp.	592	581	585	593
Tonen	1150	1130	1140	1140
Toppan Print	1550	1520	1530	1510
Toray Ind	722	704	704	715
Toshiba	713	695	695	705
Tostem	2660	2630	2660	2640
Toyo Trust	797	764	780	800
Toyota Motor	3280	3180	3280	3160
Yamanouchi	2550	2520	2540	2530

a: x 100; b: x 1,000

Toronto

TSE Industrials: 5840.02 Previous: 5817.29

	High	Low	Close	Prev.
Abitibi Price	20	19¾	19.90	19.80
Alberta Energy	28.40	28.10	28.40	28¼
Alcan Alum	46	45	45.15	45.70
Anderson Expl	16.15	16	16	15.90
Bk Montreal	49¼	49¼	49.35	48¾
Bk Nova Scotia	51.85	51.40	51.60	50.85
Barrick Gold	32.95	32.45	32½	32.80
BCE	63¾	63.10	63.45	62.80
BC Telecomm	29.70	29	29.70	29
Biochem Pharm	34¼	33½	34½	33.45
Bombardier B	26½	26.15	26.20	26
Brascan A	31.10	31	31.05	31
Bre-X Minerals	3.05	2.26	2.43	3.18
Cameco	51.40	51.30	51.35	51½
CIBC	32.20	31.65	31.70	31.20
Cdn Natl Rail	49¼	48.90	49.10	48.80
Cdn Nat Res	32.30	32.15	32.30	31.95
Cdn Occid Pet	25.20	25	25.05	25¼
Cdn Pacific	32.85	32.60	32.80	32.35
Cominco	35.95	35	35	36
Dofasco	24.60	24.35	24.60	24½
Domtar	10.05	10	10	9.85
Donohue A	24½	24.15	24½	24.05
Du Pont Cda A	31¼	31¼	31¼	31¼
Edper Group	22.30	22.05	22.20	22.20
Euronev Mng	40.40	39.85	40	40.40
Fairfax Finl	298	295	298	298½
Falconbridge	28¼	27¾	27.85	28.10
Fletcher Chall A	21½	21.30	21½	21.40
Franco Nevada	67¾	66.20	67.20	66
Gulf Cda Res	10	9.90	9.95	9.85
Imperial Oil	63	62.70	62.85	62.70
Inco	44½	43½	43.70	44.15
IPL Energy	40¼	39¾	39.90	39¾
Laidlaw B	18.70	18.55	18.65	18.55
Loewen Group	41.40	41¼	41¼	41.05
Macmill Bldl	19	18¾	18.80	18.90
Magna Intl A	69.90	69.20	69.90	69
Methanex	11.90	11¼	11¼	11.90
Moore	27¾	27.60	27.65	27½
Newbridge Net	41.35	40.85	41.30	40.45
Noranda Inc	29.35	28.95	29	29¼
Norcen Energy	29¾	29.60	29.60	30
Nthern Telecom	92¾	90.90	92	90¼
Nova	11.40	11.15	11.15	11.30
Onex	23.70	23.35	23.70	23.70
Pancdn Petlm	55.70	55.70	55.70	55.70
Petro Cda	19.70	19.40	19½	19.20
Placer Dome	25.35	25.05	25.15	25.30
Poco Petlm	13.35	13¼	13¼	13.10
Potash Sask	104.55	103¾	104¼	105.35
Renaissance	40.40	40.20	40.35	39.90
Rio Algom	33¼	33.05	33.20	33.10
Rogers Cantel B	24½	24½	24½	24.30
Seagram Co	53.30	52.60	52.65	52.70
Shell Cda A	52.95	52.45	52.55	52.65
Stone Consold	19.95	19.85	19.90	19.80
Suncor	60.90	60.05	60¼	60
Talisman Eny	40.30	39.80	40.20	39.65
Teck B	29	28.55	28.60	28¾
Teleglobe	39¾	39.40	39½	39¾
Telus	20¾	20.60	20.65	20.65
Thomson	27.60	27¼	27.35	27½
TorDom Bank	36.55	35.85	36.30	35½
Transalta	16.15	16.05	16.05	16.05
TransCda Pipe	24.80	24.40	24.45	24.55
Trimark Finl	42	41	42	41.05
Trizec Hahn	31.20	30.95	31.20	30.95
TVX Gold	10.10	9.90	9.90	10
Westcoast Eny	23.95	23.80	23.85	23.80
Weston	68.35	68	68.35	68¾

Vienna

ATX index: 1178.29 Previous: 1167.80

	High	Low	Close	Prev.
Boehler-Uddeh	815	793	813	794
Creditanst Pfd	455	452	454.80	451.60
EA-Generali	3194	3136	3170	3145
EVN	1672	1656	1667.50	1659.50
Flughafen Wien	532	528	529	524
OMV	1368	1333	1338	1345
Oest Elektriz	842.50	838.80	839.20	839.50
VA Stahl	461.55	447	461	450
VA Tech	1664.50	1630	1651	1620
Wienerberg Bau	2155	2128	2139	2140

Wellington

NZSE-40 index: 2221.81 Previous: 2225.53

	High	Low	Close	Prev.
Air N Zeald B	4.00	3.88	3.95	4.00
Briefly Invt	1.30	1.27	1.28	1.30
Carter Holt ord	3.08	3.06	3.07	3.06
Fletch Ch Bldg	4.30	4.24	4.24	4.31
Fletch Ch Eny	3.96	3.91	3.96	3.97
Fletch Ch Forst	1.82	1.82	1.82	1.82
Fletch Ch Paper	2.83	2.81	2.83	2.81
Lion Nathan	3.40	3.37	3.38	3.43
Telecom NZ	6.57	6.53	6.56	6.57
Wilson Horton	11.60	11.59	11.60	11.60

Zurich

SPI index: 2903.15 Previous: 2836.53

	High	Low	Close	Prev.
ABB B	1707	1685	1702	1670
Adecco B	459.50	440	458	438
Alusuisse R	1192	1177	1189	1165
Ares-Serono B	1763	1735	1759	1735
Alel R	900	885	900	890
Baer Hdg B	1700	1688	1695	1689
Baloise Hdg R	2895	2860	2865	2890
BK Vision	842	830	842	820
Clariant R	743	729	742	694
Crd Suisse Gp R	164.75	161.50	164	158.75
Elektrowatt B	535	532	535	534
Ems-Chemie	5950	5760	5915	5725
ESEC Hdg	4000	3900	3950	3900
Holderbank B	1086	1060	1086	1056
Liechtenst LB B	473	470.50	470.50	470
Nestle R	1688	1672	1688	1650
Novartis R	1769	1739	1758	1719
Oerlikon Bueh R	142.75	138.75	138.75	139
Pargesa Hld B	1660	1640	1660	1630
PharmVisn B	729	721	725	715
Richemont A	1900	1870	1900	1870
Pirelli PC	221	218	221	218
Roche Hdg PC	12250	11890	12200	11700
SBC R	298	295	298	291.50
Schindler PC	1720	1700	1705	1715
SGS B	2990	2925	2965	2910
SMH B	815	797	815	794
Sulzer R	927	917	927	908
Swiss Reins R	1509	1499	1504	1477
Swissair R	1285	1225	1285	1229
UBS B	1280	1267	1278	1259
Winterthur R	1013	995	1010	993
Zurich Assur R	445	442.50	443	438

The Trib Index

Prices as of 3:00 P.M. New York time

Jan 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	151.70	+1.15	+0.76	+15.04
Regional Indexes				
Asia/Pacific	110.77	-0.19	-0.17	-17.50
Europe	160.79	+2.26	+1.43	+15.53
N. America	175.96	+1.42	+0.81	+37.17
S. America	138.61	-0.90	-0.65	+55.67
Industrial Indexes				
Capital goods	175.76	+2.94	+1.70	+32.27
Consumer goods	170.28	+1.06	+0.63	+23.33
Energy	183.06	+2.94	+1.63	+34.98
Finance	112.93	+0.31	+0.28	-11.24
Miscellaneous	156.63	+1.06	+0.68	+15.33
Raw Materials	182.19	+1.28	+0.71	+28.48
Service	142.74	+0.81	+0.57	+18.95
Utilities	132.97	-0.42	-0.31	+4.59

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. *Compiled by Bloomberg News.*

NASDAQ

Monday's 4 P.M.

The 1,000 most-traded National Market securities
In terms of dollar value, updated twice a year.
The Associated Press.

NYSE

Monday's 4 P.M. Close

(Continued)

China's New Anti-Piracy Drive Brings Results

By Seth Faison
New York Times Service

HENGGANG, China — Off a meandering dirt road that cuts through soft hills laden with tropical foliage, a pair of young women tended to thousands of newly hatched ducklings in a rundown shack, enveloped by a gentle chorus of chirping.

Behind this innocent-looking setting lay a workshop where copyright pirates hid a crude but lucrative operation that illegally copied millions of compact disks until an anonymous caller told local authorities, who came and shut it down in February.

The duckling hatchery is still in business, but two compact-disk production lines were confiscated, and three men who ran them were taken into custody by officials who said later that they had rarely seen such a well-disguised operation.

The caller was given $36,000, an enormous sum in a rural area of southern China where duck tenders make $25 a month.

After years of dragging their feet, and ignoring demands from the United States and elsewhere, China's copyright police are finally pursuing and arresting pirates, even well-hidden ones. The authorities are also being creative, trying to pierce the shell of local secrecy by offering informants large amounts of cash.

Since a concerted effort began in December here in Guangdong Province, the acknowledged center of copyright piracy in China, the authorities say they have arrested more than 100 offenders and shut down 28 underground factories at which each disk-making machine could copy 10,000 disks a day.

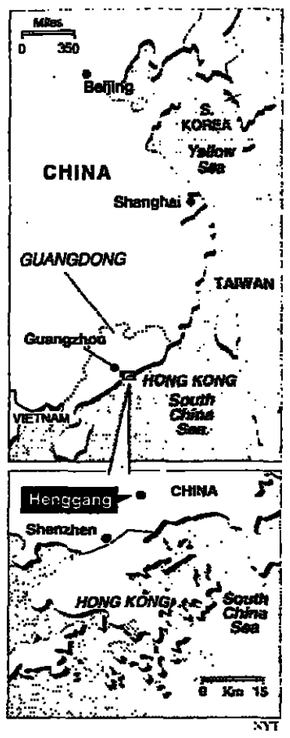
Dozens more factories are believed to exist, but many have suspended production, apparently in the hope that the current campaign will subside after a few months. After all, the history of Communist China is a catalogue of political campaigns, most of which last just a few months or a year before they are overtaken by new ones.

Fighting copyright piracy in China, one of the world's biggest violators of intellectual property rights, often looks like an unwinnable task. But industry specialists say Beijing seems serious about the current crackdown, in part because it is beginning to recognize the dangers that piracy poses to China's own legitimate music and movie industries.

The stimulus for the current crackdown, officials here and in Beijing say, is a domestic crusade for "spiritual civilization" that President Jiang Zemin is trying to make his political signature as he consolidates his power as the successor of Deng Xiaoping, the political patriarch who died in February.

Mr. Jiang is expending a fair amount of political capital on the drive, because it has been opposed by many local officials, army officers and members of the secret police who have profited from the trade. To overcome the opposition, which stymied previous attempts against piracy, Mr. Jiang is framing his campaign as one aimed at pornography, something Chinese leaders strongly object to.

Even though so-called dirty movies account for only about one-tenth of the pirated videos in China, the current crackdown is called "Sweep Away Pornography; Combat Illegal Copying."



Although it was devised purely as a domestic campaign, Beijing is also using the crackdown to comply with parts of an agreement signed with the United States in February 1995. Its current efforts are winning guarded approval from those who monitor abuses of intellectual property.

"Since December, they've been doing really well," said Cheng Chingming, the representative in China of the International Federation of Phonographic Industries, a London-based organization representing more than 100 music companies. "The question is whether they will keep up the pressure, which they need to do for a few years to succeed."

In perhaps the strongest sign yet of greater confidence in Chinese enforcement, Warner Brothers recently signed an agreement with a Shenzhen-based company that was suspended in 1995 for copyright violations to start legally producing video compact disks of 100 movies owned by Warner. Similarly, many other compact-disk factories that pirated music in the past are now getting more legitimate music business than they can handle, a sign that the crackdown is having an effect, said William Brent, a consultant specializing in China's entertainment industry.

Until this year, the Guangdong authorities acknowledged the existence of only 19 compact-disk factories in their province because they only counted the legally registered outfits. With most legitimate factories now behaving legally, local officials now concede that there are several dozen underground factories that were churning out large quantities of illegally copied disks until recently and are continuing to do so on a smaller scale.

"There's so much money to be made, people will continue to take risks," said Chen Jiakui, who heads Guangdong's office on copyright violations. "It's not something that can be stopped in a day, but we're making a difference."

U.S. trade officials say they deserve at least some credit for Beijing's new resolve. But the fact that the Chinese authorities began a serious crackdown only in recent months, after years of pressure from Washington, suggests that China's domestic politics are the greater influence.

The decision seems to have been made by Communist Party leaders at a Central Committee meeting last September. Even so, Mr. Chen said, Guangdong authorities held meetings for three months before they announced a plan of action Dec. 11.

On that day, officials here publicized new efforts to ferret out underground pirates. One method is to offer the $36,000 reward to any caller whose information leads to the closing of an illegal operation.

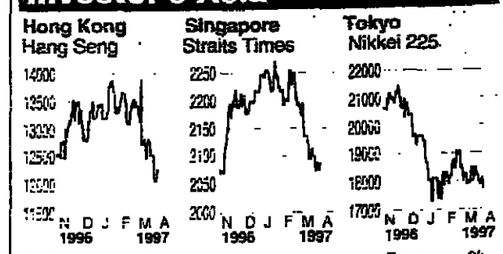
Mr. Chen said, "We recognize now that we can't find all these offenders without help from ordinary people."

More than 20 of the 28 illegally operating factories that were shut down since last year, he said, were identified through information from anonymous callers.

Even so, Mr. Chen conceded that winning the fight against piracy would involve far more than arresting the factory managers and that backers — often Hong Kong and Taiwan businessmen involved in organized crime — are more difficult to catch.

"If you put the workers in jail, that doesn't solve it," Mr. Chen said. "The real problem is the big bosses."

Investor's Asia



Exchange	Index	Monday Close	Prev. Close	% Change
Hong Kong	Hang Seng	12,287.84	12,204.59	+0.68
Singapore	Straits Times	2,088.14	2,075.78	+0.60
Sydney	All Ordinaries	2,366.00	2,369.50	-0.15
Tokyo	Nikkei 225	17,715.67	17,860.59	-0.81
Kuala Lumpur	Composite	1,134.23	1,136.78	-0.22
Bangkok	SET	Closed	714.09	-
Seoul	Composite Index	694.90	687.42	+1.09
Taipei	Stock Market Index	8,517.70	8,367.57	+1.79
Manila	PSE	2,990.96	3,060.59	-2.28
Jakarta	Composite Index	636.64	637.43	-0.12
Wellington	NZSE-40	2,221.01	2,225.53	-0.20
Bombay	Sensitive Index	3,520.49	3,550.37	-0.84

Source: Telekurs International Herald Tribune

Very briefly:

• **Fuji Photo Film Co.** began supplying **Apple Computer Inc.** with its new digital cameras equipped with stamp-sized memory devices. Apple will sell the cameras under its brand name in the United States and Japan. The agreement could be part of a broader alliance between the two companies in the area of imaging products and software, the Japanese business daily Nihon Keizai Shimbun reported.

• **Matsushita Electric Industrial Co.** won a 2.8 billion yen ($22.8 million) contract from **CBS Inc.** for 1,400 digital videocassette recorders for use in news reporting, with additional sales of 2,000 units to CBS affiliates expected.

• **North Korea** agreed in principle to establish a trade office to support South Korean businesses seeking to invest in the North, officials said.

• **Tianjin Automotive Industrial (Group) Co., North China Pharmaceutical Corp.** and **Panjing Ethylene Industrial Co.** are among several big Chinese companies that may seek to list on the Tokyo Stock Exchange, the official *China Daily* reported.

• **Japan** and Israel signed an agreement to provide a framework for risk insurance for joint ventures in other countries.

• **The World Bank** will issue 1 billion Hong Kong dollars ($129.1 million) of 10-year fixed-rate bonds.

• **Sony Electronics Inc.** won a contract to build a direct broadcast satellite facility for **DirecTV Japan Inc.**, a new company formed by **Hughes Electronics Corp.** and six Japanese companies. *AFP, AFX, Bloomberg, Reuters*

Exports Lead the Way as Japan's Trade Surplus Grows 15%

Compiled by Our Staff From Dispatches

TOKYO — Japan's current-account surplus grew in February for the second month in a row amid mounting U.S. concern over trade imbalances, but the data were shrugged off by financial markets Monday as the dollar touched a four-year high.

Tokyo's surplus in its current account, the broadest measure of trade in goods and services, rose 15.4 percent from a year earlier, to 865.2 billion yen ($7.06 billion), the Finance Ministry said.

Japan's merchandise-trade surplus grew 2.9 percent in February, to 878 billion yen, its first rise since November 1994. Exports rose 9.9 percent from a year earlier, to 3.895 trillion yen, their 19th consecutive monthly increase.

Japan's trade surplus with the United States widened for the fifth consecutive months, the merchandise-trade figures showed. That growing gap has brought criticism from the United States, Japan's largest trading partner.

U.S. Treasury Secretary Robert Rubin urged Tokyo to guard against a resurgence in the trade surplus during his visit to Japan on Friday, saying a further rise in the current-account surplus would reignite trade friction.

But the news of the wider surplus in February failed to change bullish sentiment toward the dollar, which hit a 50-month high of 125 yen in Tokyo trading. The U.S. currency finished the day here at 124.75 yen, up from 122.60 yen at the close Friday. Currency dealers said the tone of Mr. Rubin's warning on the surplus had been offset by his promise not to use currencies as a tool of trade policy, which encouraged market participants to continue buying dollars.

Meanwhile, Japan's deputy finance minister, Tadashi Ogawa, contended that the trade surplus was still in a long-term shrinking trend reflecting structural economic changes in Japan. He said Japanese companies were still shifting their production bases overseas and increasing their imports.

But economists said the surplus would continue growing, with current-account data showing that Japan's economic growth owed a great deal to strong exports.

They said Japanese manufacturers would increase their exports to offset slow domestic growth. "There is no doubt that Japan's trade surplus will continue expanding," said Kazutaka Kirishima, an economist at Sumitomo Mutual Life Research Institute.

"Currently, exports are almost the only boost for the Japanese economy."

Jesper Koll, economist at J.P. Morgan & Co., said the data were "good evidence that Japanese exports benefit from the gain in competitiveness as well as a pickup in global demand." *(Reuters, Bridge News, Bloomberg)*

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Annual General Meeting

of **T.I.I.C. (O.T.C.) Japan Fund** (the "Fund") will be held *at 16, Boulevard Royal, Luxembourg, on 25th April* 1997 at 11:00 a.m., with the following agenda:

I. **Submission and approval of the Management report of the Board of Directors;**
II. **Submission and approval of the Statutory Auditor's report;**
III. **Submission and approval of the annual accounts for the year ending 31st December 1996;**
IV. **Allocation of the results;**
V. **Discharge to the Directors and the Auditors for the performance of their duties during the year ending 31st December 1996;**
VI. **Statutory elections;**
VII. **Miscellaneous.**

Shareholders are informed that no quorum is required for the meeting. Any decisions taken at the meeting must be approved by a majority vote of the shares represented at the meeting.

Shareholders who are not able to attend this annual general meeting of shareholders are informed that they can act at the meeting by duly executed proxy returned to the Fund at the latest on the Luxembourg Bank Business Day preceding the date of the meeting.

Luxembourg, 4th April 1997.

T.I.I.C. (O.T.C.) JAPAN FUND

With Acquisition, Microsoft Targets the Living Room

By John Markoff
New York Times Service

SAN FRANCISCO — Microsoft Corp.'s decision to spend $425 million to acquire WebTV Networks Inc. is the software giant's most ambitious effort yet to blend the personal computer, the television and the Internet.

The announcement, made Sunday at a convention of television broadcasters in Las Vegas, is one of a series of maneuvers Microsoft is making to try to extend its reach from the personal computer, which has found its way into almost 40 percent of American homes, to the television, which has pride of place in 98 percent of all homes in the country.

The company also said it was planning to add software to permit its Windows operating system to be used in a new hybrid computer-TV, called a PC-Theater, which computer makers — including Compaq Computer Corp. — plan to produce in the next few months.

On Monday, Microsoft was set to announce with Intel Corp. and Compaq their technical plans for digital interactive computer-TVs, plans that they hope will become a standard adopted by broadcasters.

Sunday's announcement came just a few days after the Federal Communications Commission set a nine-year timetable for America's transition from analog to digital television. The world's computer industry hopes to take over a substantial part what is expected to be a $150 billion market for digital televisions over the next decade.

The FCC in December modified the proposed standard for digital television to ease the computer industry's entry into this market.

"This strikes me as a baccarat-table bet on the merger of PC and TV," said David Readerman, an analyst at Montgomery Securities in San Francisco. "Microsoft believes it needs some momentum and presence on the TV side, and they're doing it through a device that would move the standards in their direction."

Founded 20 months ago by computer engineers who are veterans of Apple Computer Inc. and General Magic Inc., WebTV began offering its Internet service last Christmas with two consumer-electronics licensees, Sony Corp. and Philips Electronics NV. The company has been given high marks for designing a $300 set-top box that connects to a telephone line and allows television users to explore the World Wide Web and send and receive electronic mail.

But retailers have reported disappointing sales, compared with expectations raised by manufacturers.

Microsoft and Paul Allen, Microsoft's co-founder and a board member, were both already investors in WebTV, and Steve Perlman, WebTV's co-founder and chief executive, said that as the two companies discussed sharing technologies, they realized they had a common technological vision.

Although their interest is in seamlessly blending the computer, television and Internet, Microsoft executives said they had not incorporated WebTV technology into the digital-television standard they planned to propose Monday. The decision to acquire WebTV might indicate that Microsoft was still groping to define its own strategy in the emerging interactive digital world.

As early as 1993, the company explored alliances with large cable companies to develop a set-top box standard, but the cable industry has been slow to invest in adapting cable networks.

CODE: *U.S. Export Curbs Are Helping European Software Makers*

Continued from Page 1

Encryption technology has become a big battleground in the evolution of electronic commerce and the Internet. As in the United States, European banks and corporations are racing to offer on-line financial services, and many of these services are built around Internet programs sold by such U.S. companies as Netscape and Microsoft.

Cryptography is crucial because it provides the only means for protecting customers and companies from electronic eavesdroppers.

Although the market for encryption software is in itself tiny, it is a key to selling technology in the broader market of electronic commerce. Encryption is the first line of defense against hackers eager to pry loose credit-card information and raid bank accounts, so it plays a critical role in the sale of Internet servers and transaction-processing systems.

Brokat, which has revenue of about 10 million Deutsche marks ($6 million) a year, uses its cryptography as a door-opener to sell much more complicated software that securely links conventional bank computer systems to a bank's Internet gateways and on-line services. Netscape, Microsoft and computer equipment manufacturers all include encryption in the networking systems they sell to corporations.

The reason Washington blocks U.S. companies from exporting advanced encryption programs is that such agencies as the Federal Bureau of Investigation and the National Security Agency fear they will lose their ability to monitor communications of suspected terrorists and criminals.

Far from hindering the spread of powerful encryption programs, however, U.S. policy has created a bonanza for alert entrepreneurs outside the United States. Brokat's hottest product is the Xpresso Security Package, a set of computer programs that strengthen the relatively weak encryption power of Internet browsers from Netscape and Microsoft.

Besides America Online, Brokat's customers include more than 30 big banking and financial institutions around Europe. Deutsche Bank AG, Germany's biggest bank, uses Brokat's software at its on-line subsidiary, Bank 24. Hypo Bank of Munich uses Brokat in its on-line discount stock brokerage operation. In Switzerland, the national telephone company and Zuercher Kantonalbank are customers.

Among Brokat's competitors, UK Web Ltd., based in London, is marketing an equally powerful encryption program with a Silicon Valley company, C2Net Software. Recently, UK Web and C2Net boasted of selling "full-strength" cryptography developed entirely outside the United States.

"We don't believe in using codes so weak that foreign governments, criminals or bored college students can break them," the two companies said in a statement, in a swipe at the U.S. export restrictions.

Bigger companies are starting to jump into the fray as well. Siemens-Nixdorf, the computer arm of Siemens AG, recently began marketing a high-security Internet server program that competes with products from Netscape. Companies can download the software from Siemens computers in Ireland.

There is nothing illegal or even surprising about this. The basic building blocks for advanced encryption technology, a series of mathematical algorithms or formulas, are all publicly available over the Internet. U.S. companies such as Netscape sell strong encryption programs in the United States, and Brokat and some others are even allowed to export their product to customers in the United States.

For many computer executives, the real mystery is why the U.S. government continues to restrict the export of encryption technology.

"The genie is out of the bottle," said Peter Harter, the global public policy counsel at Netscape, who complained that U.S. policy thwarted his company's ability to compete.

"I have a good product, and I can sell it to Citibank, but I can't sell it to Deutsche Bank," Mr. Harter said. "It doesn't make any sense. Why shouldn't they be able to buy the same product as Citibank? It makes them mad, and it makes us mad."

Bonn to Help Firms Hook Up to Internet

Reuters

BONN — Economics Minister Guenter Rexrodt unveiled a plan to help small companies use the Internet at an electronic-commerce conference sponsored by the Group of Seven industrialized nations Monday.

"All of the G-7 ministers believe that it is of the utmost importance for our economies that particularly small and midsized companies find their way in the information society in time," Mr. Rexrodt said.

Mr. Rexrodt, outlining a German program that will accompany a similar European Union effort to be launched next week, said Bonn would offer training and consulting for small companies.

Mario Monti, EU commissioner for the single market and taxation, said that while 98 percent of large European corporations were booked up to the Internet, this was true of just 4 percent of small and medium-sized enterprises.

At the same time, the global electronic marketplace was growing by 60 percent a year and could reach a trade volume of 1.5 trillion European currency units ($1.75 trillion) by the turn of the century, he said.

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WORLD ROUNDUP

Brad Kemp/AP

Brad Faxon watching as a putt fell short on the 18th hole.

Faxon Wins at Last

GOLF Brad Faxon, who set a PGA Tour record last season for earnings without winning shot a 3-under 69 on Sunday for a three-stroke victory in the Freeport-McDermott Classic in New Orleans.

Faxon, who made $270,000 for his first victory since the 1992 International, had a 16-under 275 total. Bill Glasson and Jesper Parnevik both shot 66 to tie for second.

Jose Maria Olazabal shot a 72 to tie for seventh at 278 in his first U.S. start since 1995. *(AP)*

Rafter Played Drunk

TENNIS Patrick Rafter admitted that he was drunk when he played his reverse singles match for Australia against David Rikl of the Czech Republic on Sunday. Australia had taken a winning 3-0 lead Saturday and Rafter said he spent the night celebrating.

"I started sobering up halfway through the match," said Rafter, who won in three sets. "I felt great in the third set." *(Reuters)*

Gwynn Stays in San Diego

BASEBALL Tony Gwynn signed a three-year, $12.6 million contract extension that will keep him with the San Diego Padres through 2000.

The outfielder, who has won seven National League batting titles and is a lifetime .337 hitter, was in the final year of a two-year extension that included an option for 1998. The Padres exercised that option and added two years. *(AP)*

Mesa Charges Reduced

BASEBALL A judge in Cleveland on Monday reduced a rape charge and threw out a felony assault charge against Jose Mesa, a Cleveland Indians relief pitcher, agreeing with the defense that the state failed to prove its case on the two counts.

The charge of rape, which carries a 3- to 10-year prison term, was reduced to gross sexual imposition, which carries a sentence of 6 to 18 months.

Mesa faces two other gross sexual imposition charges that are to go to the jury. *(AP)*

Sri Lanka Reaches Final

CRICKET Aravinda de Silva hit 134 off 131 balls as Sri Lanka beat Pakistan by 51 runs Monday and booked their place in the final of the triangular Sharjah Cup.

• India took three West Indian wickets before lunch in Antigua as the fourth test finally started after three days of rain. *(Reuters)*

Agassi Fights Back, Giving U.S. the Victory

By Robin Finn
New York Times Service

NEWPORT BEACH, California — Andre Agassi went from chump to champ in the space of one five-set match.

Agassi, who was unfit for duty for the first round of the Davis Cup in February, showed up at Newport Beach for Round 2 intent on relaunching his falling star. He could not have come up with a more melodramatic script.

Agassi saved himself and the U.S. team Sunday with a nimble escape from a two-sets-to-none deficit to secure the all-important third point of the quarterfinal between the United States and the Netherlands.

The official score at the end of the day was 4-1 for the United States, which captured all four singles matches.

Agassi's methodical 3-6, 3-6, 6-3, 6-3, 6-3 victory over Jan Siemerink was only his second career recovery from a two-set deficit. On Friday, Siemerink, ranked No. 22 in the world, had also allowed Jim Courier to make his first-ever comeback from two sets.

"He changed his level and I couldn't," said Siemerink, who was not thrilled about playing the victim to a comeback-minded American for the second straight match. "These guys have more ability than other guys; they've both been No. 1."

Siemerink, who played 10 valiant sets for naught, is now 0-7 on hardcourts in 1997.

Agassi's command performance against Siemerink allowed Courier, who injured his right thigh in practice Sunday morning, to beg out of the final singles match. Jonathan Stark, a loser alongside Rick Leach in Saturday's doubles match, replaced Courier for what became a 6-4, 6-0 victory against Sjeng Schalken.

"I hate dead rubbers," Stan Franker, the Dutch Davis Cup coach, said of the meaningless final match. "You have to play them, but it's ridiculous."

The United States, which has won the Davis Cup 31 times, will take on Australia in the semifinal round Sept. 19 to 21 at an as-yet-unannounced site along the mid-Atlantic seaboard. Australia, the runner-up to France in the 1996 Davis Cup, leads the United States by 24-19 in Davis Cup confrontations and prevailed in their most recent meeting, a 1993 quarterfinal.

"If I get picked, I'm sure I'll be there," said Agassi, who is now 24-4 in Davis Cup play.

In addition to clinching this quarterfinal and sparing Courier the stress of playing a fifth and deciding match, Agassi, 26, may have turned a corner. With his pair of singles victories, he extended his Davis Cup unbeaten streak to 15 matches, one shy of Bill Tilden's U.S. record but far short of Bjorn Borg's 33 straight victories for Sweden from 1973 to 1979.

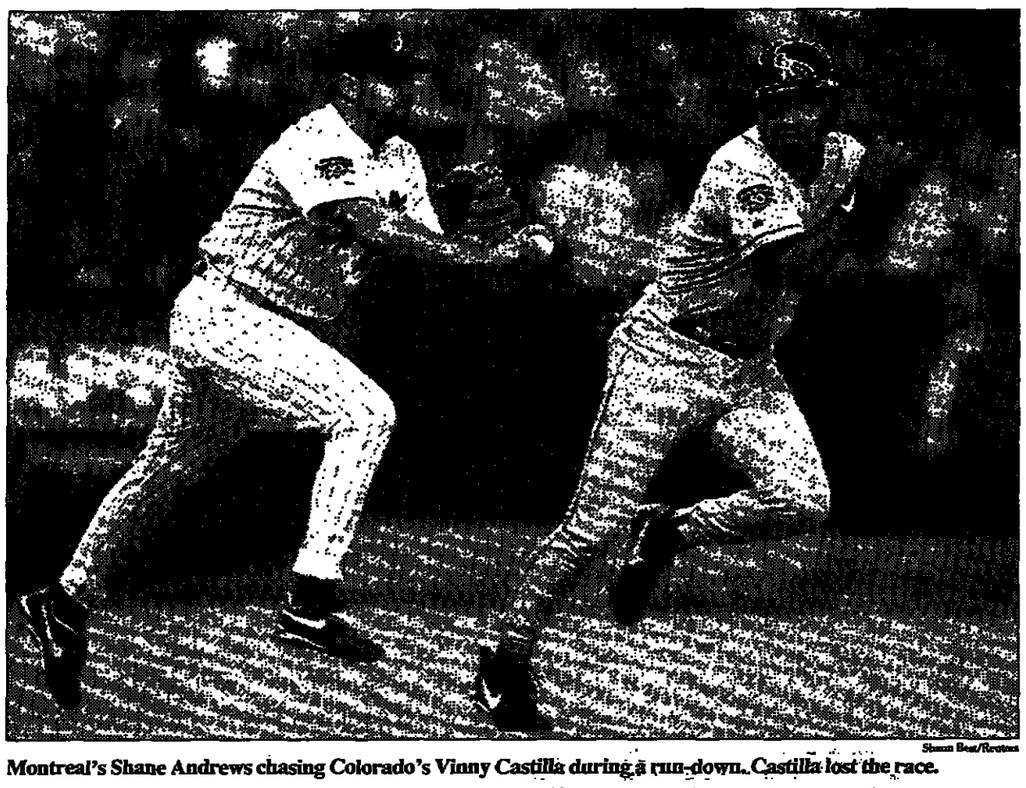
Agassi had come into the quarterfinal in the worst slump of his career. He had lost five matches in a row in the last five ATP events he had played. He ended his losing streak Friday when he dismissed Schalken in straight sets. That gave him the confidence necessary to avoid panic when he fell behind by two sets Sunday.

"I was very pumped up," Agassi said of a match in which Siemerink sealed a two-sets-to-none lead with one of his 24 aces. "I never really felt like it was an emotional thing, like I was down and really needed to have things go my way.

"I felt like it was very mechanical, that I had to just start making some returns, and once I did, I methodically kept the lead. Focus is a combination of discipline and belief, and for me, it's all starting to happen."

Mike Nelson/The Associated Press

Andre Agassi celebrating victory.



Shawn Best/Reuters

Montreal's Shane Andrews chasing Colorado's Vinny Castilla during a run-down. Castilla lost the race.

Bosox Bullpen Stays Cold, As 2 Mariners Turn Hot

The Associated Press

Paul Sorrento singled home the winning run with one out in the 10th after Norm Charlton blew his second successive save chance and the Seattle Mariners beat the Boston Red Sox, 8-7.

"Sometimes you have to outslug a team," Sorrento said.

Ken Griffey Jr. homered Sunday for the third successive day, and Alex Rodriguez homered, had four hits and

AL ROUNDUP

scored four runs, including the game-winner.

"Those are two hot guys right now," said the Red Sox starter, John Wasdin, who gave up a homer by Rodriguez in the fourth and a two-run drive by Griffey in the sixth.

Rodriguez led off the 10th with an infield single and moved to second on a wild pitch by Rick Trlicek. After Griffey was intentionally walked, Rich Amaral sacrificed. Jay Buhner was intentionally walked to load the bases, and Sorrento singled.

Charlton allowed Darren Bragg's tying single in the ninth.

The Mariners won despite walking 11 Red Sox and committing two errors.

"We weren't outslugged," Griffey said. "We just let some guys get on base that hurt us."

White Sox 5, Tigers 3 Jaime Navarro struck out a career-high 11 in seven innings at windy Comiskey Park, getting his first American League victory since 1994.

Navarro, who left the Chicago Cubs to sign with the White Sox as a free agent, allowed five singles and walked two.

The wind, gusting at 43 miles an hour (67 kph) as the game started, ripped a huge banner off the scoreboard in center and caused a seven-minute delay in the third.

Royals 12, Twins 2 Glendon Rusch allowed four hits in eight innings at the Metrodome and retired 19 consecutive batters in his victorious major-league debut.

The 22-year-old left-hander struck out four and walked none. He gave up a pair of unearned runs in the first and allowed Ron Coomer's leadoff single in the second, then retired 19 straight until Chuck Knoblauch's two-out single in the eighth.

Rangers 9, Orioles 3 Dean Palmer drove in three runs, and Rusty Greer had four hits as Texas sent visiting Baltimore to its first loss.

Mike Mussina gave up four runs in the first and wound up allowing seven runs and eight hits in four innings.

He was scheduled to pitch the opener, but was pushed back because of calcium deposits in his right elbow. The Orioles' ace reported later that his elbow gave him no trouble during the game.

Cal Ripken homered for Baltimore, which was the last unbeaten team in the majors.

Athletics 3, Yankees 0 New York, which had not committed an error this season, booted two grounders at Oakland in a three-run eighth that gave the A's a shutout victory.

Third baseman Wade Boggs and first baseman Tino Martinez made the miscues for the Yankees, the last team in the majors to commit an error in 1997.

Indians 10, Angels 8 Brian Giles and Sandy Alomar homered in the ninth inning as visiting Cleveland overcame a 7-1 deficit. With the score 8-8, Giles homered with one out off Troy Percival. One out later, Alomar hit his third homer of the season.

In a game reported in some editions Monday:

Brewers 4, Blue Jays 2 Jeff Cirillo's run-scoring double off Pat Hentgen broke a 2-2 tie in the seventh inning at the SkyDome, and John Jaha homered in the eighth for a cushion run.

Cardinals Get Off to Worst-Ever Start

The Associated Press

The St. Louis Cardinals sank to the worst start in their 106-year history when they lost, 3-2, in Houston on pinch-hitter Jeff Bagwell's two-out, two-run double in the eighth inning.

St. Louis has lost all six of its games.

A throwing error by shortstop Royce Clayton started Houston's rally in the eighth. Bill Spiers drew a two-out walk from John Frascatore and Bagwell doubled.

It was the second time in three games that Bagwell had driven home the go-ahead run in the Astros' last at-bat.

Rockies 6, Expos 2 Last season, Colorado's longest winning streak away from Coors Field was three. On Sunday, they won their fourth road game in a row.

Vinny Castilla homered for the second straight day, and Jeff Reed drove in two runs for the Rockies.

Lee Smith, baseball's career saves leader at 474, pitched the ninth for Montreal. It was his 1,000th major league game. He joined Hoyt Wilhelm (1,070), Kent Tekulve (1,050) and Goose Gossage (1,002) as pitchers to reach the mark.

Phillies 3, Padres 2 Curt Schilling made his second strong start as Philadelphia won in San Diego. Schilling

NL ROUNDUP

gave up a leadoff home run to Quilvio Veras, but little else in eight innings. He has the Phillies' only two victories this season.

Mets 4, Giants 2 Brian Bohanon, pitching for the ailing Pete Harnisch, gave New York seven strong innings in San Francisco and earned his first NL victory.

Harnisch has been suffering from insomnia, and was sent back to New York earlier in the day. He says the problem may be the result of trying to end his habit of chewing tobacco, although others think it could be related to the Lyme disease he had at the end of the 1995 season.

Dodgers 6, Pirates 3 Mike Piazza hit a go-ahead single in the seventh inning to beat Pittsburgh.

In games reported in some editions Sunday:

Marlins 3, Reds 2 Kevin Brown, who had the worst run support in the majors last season, helped himself with a run-scoring single and bases-loaded walk at Florida.

Braves 4, Cubs 0 Greg Maddux pitched the Braves to victory in only 1 hour, 47 minutes, the fastest major league game in five years.

Pointless Mavericks Set a Sad Record

Compiled by Our Staff From Dispatches

The Dallas Mavericks set a dubious NBA record in the third period of their game against the Los Angeles Lakers.

The Mavericks led 51-37 at the start of the second half, but then scored just two points in the third quarter. The Lakers scored the first 24 points of the quarter before Derek Harper sank two free throws with 1:51 left in the period. Leading 64-53 going into the final period, Los Angeles defeated the Mavericks 87-80 Sunday.

The Mavericks missed all 15 field goals in the third period. Their two points in the quarter was the worst since the introduction of the shot clock in 1954-55. Two other teams had scored four, the Kings against the Lakers on Feb. 4, 1987, and the Buffalo Braves vs. the Milwaukee Bucks on Oct. 21, 1972.

"I came to the bench with about two minutes left and the guys said, 'They haven't scored yet,'" said Eddie Jones, a Laker guard. "I was like, 'Oh, my God.' I was more amazed than anything."

"I don't know if there is anything to say," said Jim Cleamons, the Dallas coach. "I've never seen an exhibition of basketball like that in all my years in this league."

Kings 113, SuperSonics 101 In Sacramento, center Olden Polynice scored 9 of his 15 points in the third quarter of Sacramento's victory.

Mitch Richmond had 27 points as the Kings snapped a seven-game losing

NBA ROUNDUP

streak. Sacramento also had dropped seven in a row and 17 of 20 to the SuperSonics.

Shawn Kemp returned to Seattle's starting lineup following a four-game benching for disciplinary reasons.

Jazz 114, Warriors 100 In San Jose, Karl Malone scored 30 points and Greg Ostertag tied a career high with 21 as Utah captured its 12th straight game.

Jeff Hornacek added 18 points, and John Stockton had 13 points and 13 assists for Utah, which has won 17 of 18.

Bulls 110, Magic 94 In Orlando, Michael Jordan scored 24 of his 37 points in the second half and moved into fifth place on the NBA's career scoring list. Jordan has 26,726 points, 16 more than Oscar Robertson.

Jordan scored 13 points in the 21-2 run the Bulls used to break open a close game in the third period.

Pacers 94, Timberwolves 83 In Minneapolis, Rik Smits had 27 points and 11 rebounds as Indiana remained two games behind Washington and closed within 1½ of Cleveland in the race for the final Eastern Conference playoff spot.

Antonio Davis added 17 points and seven rebounds for the Pacers. Minnesota got 17 points and 11 assists from Stephon Marbury.

Rockets 94, Grizzlies 85 In Vancouver, Charles Barkley scored 28 points in Houston's victory to move into 17th place on the NBA career scoring list. Playing only his third game after missing a month with a hip injury, Barkley overtook Hal Greer on the list. The 13-year veteran has 21,609 points and trails Larry Bird by fewer than 200 points.

Even with 22 points and a career-high 16 rebounds from rookie Shareef Abdur-Rahim, and 23 points from Bryant Reeves, the Grizzlies lost their seventh straight.

In games reported in some editions Monday:

Clippers 103, Nets 98 Loy Vaught scored 20 points and grabbed 11 rebounds as the Clippers won their third straight road game and dealt New Jersey its fourth loss in a row.

Bullets 120, Celtics 114 In Boston, Chris Webber and Juwan Howard scored 31 points each as Washington handed Boston its ninth straight loss. *(AP, LAT)*

Red-Hot New Jersey Gets Another Shutout

The Associated Press

Rookie Mike Dunham took the place of New Jersey's star goalkeeper, Martin Brodeur, and made 25 saves in a 2-0 victory over St. Louis on Sunday night, the Eastern Conference leader's fourth shutout in five games.

New Jersey, a point ahead of Philadelphia in the conference standings and four behind Stanley Cup champion Colorado for the overall lead, has allowed only two goals during its five-game winning streak.

The game was Dunham's 25th of the season. Under terms of his contract, reaching that number keeps him from becoming an unrestricted free agent. The Devils got him to 25 by using him in a lot of mop-up duty.

Jay Pandolfo opened the scoring for New Jersey at 13:34 of the third period, redirecting Denis Pederson's pass from the boards past Grant Fuhr. John MacLean added an empty-net goal with 16 seconds left.

Avalanche 2, Coyotes 1 Patrick Roy made 24 saves for his career-high 37th victory this season as Colorado beat visiting Phoenix to establish team records for victories (48) and points (105).

NHL ROUNDUP

Roy, who missed the previous three games because of a hurt left shoulder, lost his shutout at 4:19 of the third period, when Keith Tkachuk became the NHL's first 50-goal scorer this season.

Flyers 2, Senators 1 In Philadelphia, Trent Klatt and Pat Falloon scored as Philadelphia beat Ottawa for its second straight 100-point season.

Sergei Zholtok scored for Ottawa, which lost its second straight after a four-game winning streak.

Panthers 3, Capitals 3 Peter Bondra scored with 49 seconds left in regulation as Washington tied visiting Florida to keep its playoff hopes alive.

Calle Johansson and Dale Hunter also scored for Washington, which ended a four-game losing streak. Mike Hough, Johan Garpenlov and Dave Lowry scored for Florida.

Blackhawks 2, Flames 1 Chris Chelios scored with 7:57 left as Chicago won a key game in Calgary. The victory put the Blackhawks four points ahead of ninth-place Calgary in the battle for the final playoff berth in the Western conference.

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SPORTS

Lord Gyllene Takes the Grand National Under Gaze of Police

Dave Caulkin/The Associated Press

Lord Gyllene, ridden by Tony Dobbin, passing the winning post at Aintree on Monday, watched by some of the police brought in after the race was postponed Saturday following a bomb threat. Lord Gyllene, a 14-1 bet, lead from the start and finished 25 lengths ahead of Sunny Bay, which was 8-1. Camelot Knight, a 100-1 outsider, was third.

Juventus Humiliates AC Milan

Compiled by Our Staff From Dispatches

AC Milan crashed to its biggest league defeat when it lost 6-1 to arch-rivals Juventus at the San Siro stadium in Milan.

Milan's previous heaviest losses in the Italian league were 5-1 to Genoa in the 1950s and 5-1 to Fiorentina in the early 1930s.

The five-time European champion was three down after 50 minutes on

WORLD SOCCER ROUNDUP

Sunday after Vladimir Jugovic scored twice and Zinedine Zidane converted a penalty. Christian Vieri and Nicola Amoruso made it 5-0 before the home side finally got a goal from Marco Simone. Vieri added a sixth for Juventus.

"It was one of those days when everything you do goes wrong," said Arrigo Sacchi, the Milan coach.

BRAZIL Romario converted one penalty and missed another as Flamengo drew 2-2 with Botafogo, which had won all its previous games in this season's Rio de Janeiro championship.

Botafogo had won 13 games in a row and looked set for another victory as it took a 2-0 lead in the first 20 minutes.

Romario, who on Wednesday scored his first goal for Brazil since the 1994 World Cup, started the Flamengo comeback when he scored with a penalty in the 25th minute. Shortly afterward, he missed a chance to equalize when his second penalty shot hit the post.

In the second half, defender Junior Baiano, dismissed by the German club Werder Bremen last year after punching a rival defender, scored to give Flamengo a 2-2 tie.

Earlier in the season, Botafogo fielded its reserve team against Flamengo and won 1-0.

WORLD CUP Canada stumbled in its bid to qualify for the 1998 World Cup, playing to a scoreless tie Sunday against El Salvador in Burnaby, British Columbia.

Canada is tied for last place with El Salvador and Jamaica in final qualifying for the North and Central American and Caribbean region.

In Africa, George Weah scored a rare international goal to revive Liberia's outside hopes of a first appearance in the World Cup finals. He thundered home the only goal in the game with Egypt to give Liberia its first victory of the qualifying campaign.

Weah's first goal for his country in 18 months lifted Liberia above Egypt in African Group 2.

But Tunisia still leads the group. It has won all three of its games and won 2-1 in Namibia.

In Nairobi, Mike Okoth Origi scored a second-half hat-trick to give Kenya a 4-3 victory over Burkina Faso after trailing 2-0 at halftime.

In Congo, Macchembe Younga struck twice in six minutes Sunday to give the hosts an upset 2-0 victory over African champions South Africa in Pointe Noire. Younga had played for his club, Fortuna Duesseldorf, in the German Bundesliga on Saturday.

The game between Gabon and Morocco in Libreville was abandoned in the 55th minute by referee Charles Massembe when fans rioted as Morocco, the visitor, was leading 4-0.

Crowd Crushes 5 in Lagos Stadium

Compiled by Our Staff From Dispatches

Five soccer fans were crushed to death after a World Cup qualifying match in Lagos when stadium officials celebrating a Nigerian victory failed to open gates for the crowd to exit.

Only two of the five gates of the National Stadium in Lagos were opened as the crowd of 40,000 tried to get out, several Lagos newspapers reported. More than a dozen others were hospitalized. The Lagos Guardian said that when the match ended, crowds began heading for the gates, unaware they were locked and that people in front were being crushed.

It was the second such stampede at National Stadium. Eight fans and a player died in 1989 after a World Cup qualifying match against Angola.

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

EAST DIVISION	W	L	Pct.	GB
Baltimore	4	1	.800	—
Boston	3	2	.600	1
New York	2	3	.400	2
Toronto	2	3	.400	2
Detroit	2	4	.333	2½
CENTRAL DIVISION				
Minnesota	4	2	.667	—
Cleveland	3	2	.600	½
Milwaukee	2	2	.500	1
Chicago	2	3	.400	1½
Kansas City	2	3	.400	1½
WEST DIVISION				
Oakland	3	2	.600	—
Texas	2	2	.500	½
Anaheim	2	3	.300	1
Seattle	2	3	.400	1

NATIONAL LEAGUE

EAST DIVISION	W	L	Pct.	GB
Florida	5	1	.833	—
Atlanta	4	2	.667	1
Montreal	3	3	.500	2
Philadelphia	2	4	.333	3
New York	2	4	.333	3
CENTRAL DIVISION				
Houston	5	1	.833	—
Cincinnati	3	3	.500	2
Pittsburgh	2	3	.400	2½
Chicago	0	6	.000	5
St. Louis	0	6	.000	5
WEST DIVISION				
Colorado	4	2	.667	—
Los Angeles	4	2	.667	—
San Diego	4	2	.667	—
San Francisco	3	2	.600	½

SUNDAY'S LINE SCORES

AMERICAN LEAGUE

Milwaukee 001 001 110—5 10 1
Toronto 020 000 000—3 5 1
McDonald, Wickman (7), De.Jones (9) and Levis; Hentgen, Timlin (9) and Santiago. W—McDonald, 1-1. L—Hentgen, 0-1. Sv—De.Jones (2). HRs—Milwaukee, Jaha 2(2); Toronto, S. Green (1).

Kansas City 010 330 022—12 12 1
Minnesota 200 000 000—2 5 2
Rusch, Montgomery (7) and M.Sweeney; Spehr (5); Radke, Ritchie (5), Olson (8), Swindell (9) and Steinbach, G. Myers (7). W—Rusch, 1-0. L—Radke, 0-1. HR—Kansas City, M.Sweeney (1).

Detroit 000 000 021—3 8 0
Chicago 207 010 00x—5 10 1
Brocail, Mlicell (7) and Wolbeck; Navarro, Levine (8), R.Hernandez (9) and Pena. W—Navarro, 1-0. L—Brocail, 0-1. Sv—R. Hernandez (2). HRs—Detroit, Nieves (2). Chicago, Phillips (1), Snopek (1).

Baltimore 011 000 001—3 6 2
Texas 410 211 00x—9 12 1
Mussina, Johnson (5) and Hoiles; Pavlik, Vosberg (7), Santana (9) and I. Rodriguez. W—Pavlik, 1-0. L—Mussina, 0-1. HRs—Baltimore, C.Ripken (3). Texas, Tettleton (2).

New York 000 000 000—0 7 2
Oakland 000 000 03x—3 4 1
Cone, Nelson (2), Stanton (8), Weathers (9) and Girardi; Telgheder, Groom (8), Acre (8), Taylor (9) and Go.Williams, Molina (9). W—Acre, 2-0. L—Nelson, 0-1. Sv—Taylor (3).

Boston 101 002 102 0—7 11 0
Seattle 000 102 000 1—4 9 2
(10 innings)

Wasdin, Mahomes (5), Esselman (8), Slocumb (8), Trlicek (9) and Haselman, Hatteberg (10); Fassero, B. Wells (7), McCarthy (7), Manzanillo (7), Ayala (8), Charlton (9) and Da.Wilson. W—Charlton, 1-1. L—Trlicek, 1-1. HRs—Seattle, A. Rodriguez (7), Griffey Jr (5).

Cleveland 010 700 002—10 10 2
Anaheim 430 010 000—8 12 1
J.McDowell, Kline (6), Assenmacher (9), M.Jackson (9) and S.Alomar; Gubicza, P. Harris (4), Holtz (8), Percival (9) and Leyritz, Fabregas (9). W—Kline, 2-0. L—Percival, 0-2. Sv—M. Jackson (1). HRs—Cleveland, Justice (3), Giles (1), S.Alomar (3). California, Edmonds (2), G.Anderson (1).

NATIONAL LEAGUE

Chicago 030 001 100—5 9 1
Atlanta 201 050 03x—11 17 1
(Completion of Suspended Game)

Swartzbaugh, Casian (5), Bottenfield (5), Wendell (6), Patterson (7), F. Castillo (8), Tolls (8) and Houston; Smoltz, Embree (6), Clontz (7), Bielecki (8), Byrd (9) and J. Lopez. W—Smoltz, 1-1. L—Casian, 0-1. HR—Atlanta, J. Lopez (1).

Chicago 000 000 000—0 3 4
Atlanta 000 011 10x—4 8 0
Mulholland, Rojas (8) and Servais; G.Maddux, Wohlers (9) and Ed.Perez. W—G. Maddux, 1-1. L—Mulholland, 0-2. HRs—Atlanta, Ch.Jones (2), Blauser (1).

Cincinnati 041 010 000—6 7 1
Florida 010 001 10x—3 5 2
Smiley, Service (7) and Taubensee; K.J.Brown, F. Heredia (6), Nen (9) and C. Johnson. W—K. J.Brown, 2-0. L—Smiley, 1-1. Sv—Nen (2).

Colorado 012 020 010—6 12 0
Montreal 010 000 001—2 8 1
Ritz, DiPoto (7), S. Reed (8), B. Ruffin (9) and Je.Reed; Bullinger, Hermanson (6), C. Perez (8), L. Smith (9) and Widger. W—Ritz, 1-1. L—Bullinger, 0-1. HRs—Colorado, Castilla (3). Montreal, Segui (2), Widger (2).

St. Louis 000 001 100—2 7 1
Houston 100 000 02x—3 7 1
Stottlemyre, Fossas (7), Prescotore (8) and Lampkin; Reynolds, Lima (7), Martin (8), B. Wagner (9) and Ausmus. W—Martin, 1-0. L—Prescotore, 0-1. Sv—B. Wagner (2).

Philadelphia 010 001 100—3 9 1
San Diego 110 000 000—2 7 0
Schilling, Bottalico (9) and Powell; J.Hamilton, Bochtler (8) and Flaherty. W—Schilling, 2-0. L—J. Hamilton, 1-1. Sv—Bottalico (2). HRs—Philadelphia, De.May (1), Doulton (1), Magee (1). San Diego, G. Veras (2).

New York 300 000 001—4 11 0
San Francisco 100 000 010—2 6 1
Bohanon, McMichael (8), Franco (9) and Hundley; Gardner, R.Rodriguez (8), DeLucia (9), Poole (9) and R. Wilkins. W—Bohanon, 1-0. L—Gardner, 0-1. Sv—Franco (2).

Pittsburgh 000 030 000—3 5 1
Los Angeles 000 003 12x—6 11 0
Schmidt, Rincon (7), Loiselle (7) and Kendall; R.Martinez, Dreifort (6), Te.Worrell (9) and Piazza. W—Dreifort, 1-0. L—Rincon, 0-1. Sv—Te.Worrell (3). HR—Los Angeles, Zeile (1).

Japanese Leagues

CENTRAL LEAGUE

	W	L	T	Pct	GB
Yakult	2	1	0	.667	—
Yokohama	2	1	0	.667	—
Hanshin	1	1	0	.500	½
Hiroshima	1	1	0	.500	½
Chunichi	1	2	0	.333	1
Yomiuri	1	2	0	.333	1

SUNDAY'S RESULTS

Yomiuri 5, Yakult 4
Yokohama 2, Chunichi 1
Hanshin 4, Hiroshima 3

MONDAY'S RESULTS

No games scheduled

PACIFIC LEAGUE

	W	L	T	Pct	GB
Lotte	2	0	0	1.000	—
Daiei	1	0	0	1.000	½
Kintetsu	0	0	0	.000	1
Orix	0	0	0	.000	1
Seibu	0	1	0	.000	1½
Nippon Ham	0	2	0	.000	2

SUNDAY'S RESULTS

Lotte 4, Nippon Ham 1
Seibu vs Daiei, ppd., rain
Orix vs. Kintetsu, ppd., rain

MONDAY'S RESULTS

No games scheduled

BASKETBALL

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
x-Miami	56	18	.757	—
x-New York	53	22	.707	3½
Orlando	41	34	.547	15½
Washington	39	36	.520	17½
New Jersey	23	51	.311	33
Philadelphia	21	53	.284	35
Boston	13	63	.171	44
CENTRAL DIVISION				
y-Chicago	65	10	.867	—
x-Detroit	51	23	.689	13½
x-Atlanta	51	24	.680	14
x-Charlotte	48	26	.649	16½
Cleveland	38	36	.514	26½
Indiana	37	38	.493	28
Milwaukee	29	45	.392	35½
Toronto	27	48	.360	38

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
x-Utah	57	17	.770	—
x-Houston	51	24	.680	6½
Minnesota	37	38	.493	20½
Dallas	22	53	.293	35½
Denver	20	54	.270	37
San Antonio	19	55	.257	38
Vancouver	12	65	.156	46½
PACIFIC DIVISION				
x-Seattle	52	24	.684	—
x-L.A. Lakers	51	24	.680	½
x-Portland	44	32	.579	8
Phoenix	36	39	.480	15½
L.A. Clippers	34	41	.453	17½
Sacramento	30	45	.400	21½
Golden State	28	47	.373	23½

y-clinched division title
x-clinched playoff berth

SUNDAY'S RESULTS

Washington 43 21 23 22—129
Boston 34 33 24 23—114

W: Webber 14-20 2-4 31, Howard 13-17 5-6 31; B: Wesley 15-21 1-3 34, Day 8-18 5-6 26. *Rebounds—Washington 55 (Webber 13), Boston 39 (Walker 8). Assists—Washington 35 (Webber, Strickland 9), Boston 19 (Wesley 9).*

L.A. Clippers 28 25 20 30—103
New Jersey 30 23 24 19— 96

L.A.: Vaught 10-16 0-3 20, Rogers 7-10 2-5 16; N.J.: Kittles 9-21 3-4 23, Gill 7-19 2-3 18. *Rebounds—Los Angeles 55 (Outlaw 12), New Jersey 61 (Massenburg 12). Assists—Los Angeles 28 (Rogers 6), New Jersey 23 (Jackson 10).*

Houston 25 25 28 34—94
Vancouver 23 29 24 19—95

H: Barkley 19-17 7-12 28, Drexler 7-18 1-2 15; V: Reeves 9-21 5-9 23, Abdur-Rahim 9-21 4-6 22. Rebounds—Houston 48 (Barkley 13), Vancouver 57 (Abdur-Rahim 16). Assists—Houston 23 (Elie, Drexler 5), Vancouver 23 (Mayberry 9).

Indiana 27 15 28 26— 96
Minnesota 17 28 25 21— 83

I: Smits 10-20 7-10 27, A.Davis 4-7 9-11 17; *M: Marbury 8-16 0-0 17, Mitchell 3-8 9-8 15. Rebounds—Indiana 42 (Smits 11), Minnesota 46 (Garnett 8). Assists—Indiana 22 (Jackson 10), Minnesota 25 (Marbury 11).*

Chicago 29 24 30 27—110
Orlando 25 25 21 22— 94

C: Jordan 13-22 8-9 37, Pippen 7-11 3-6 21; O: Selkaly 8-15 7-10 23, Hardaway 7-14 6-7 23. *Rebounds—Chicago 47 (Cartley, Jordan 8), Orlando 42 (Selkaly 9). Assists—Chicago 21 (Jordan 5), Orlando 11 (Anderson, Selkaly, Wilkins, Armstrong 2).*

Utah 33 34 29 18—114
Golden State 24 29 28 27—108

U: Malone 10-18 10-11 30, Osterlag 8-11 5-8 21; G.S.: Mullin 7-13 2-2 16, DeClercq 4-7 7-10 15. *Rebounds—Utah 51 (Malone 15), Golden State 41 (DeClercq 9). Assists—Utah 37 (Stockton 13), Golden State 28 (Price, Booker 6).*

Seattle 22 29 18 31—101
Sacramento 26 24 31 32—113

Se: Payton 7-13 5-6 19, Schrempf 4-12 8-10 18; Pa.Atkins 5-11 6-6 16; Sa: Richmond 9-19 5-6 27, Williamson 8-12 3-4 19. *Rebounds—Seattle 52 (Schrempf, Kemp 8), Sacramento 60 (Smith 12). Assists—Seattle 17 (Schrempf, Payton 5), Sacramento 27 (Smith 6).*

Dallas 30 21 2 27—80
L.A. Lakers 17 28 27 23— 87

D: Harper 6-15 5-6 18, Danilovic 7-13 0-0 15; L.A.: Fisher 8-14 3-4 21, Jones 5-9 5-6 17. Rebounds—Dallas 49 (Green 14), Los Angeles 40 (Rooks 11). Assists—Dallas 22 (Pack 10), Los Angeles 24 (Rooks, Fisher, Horry).

HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
x-New Jersey	44	21	13	101	221	171
x-Philadelphia	44	22	12	100	261	201
x-Florida	33	28	19	85	213	197
x-N.Y. Rangers	36	33	10	82	247	222
Tampa Bay	30	39	9	69	206	237
Washington	30	40	9	69	197	224
N.Y. Islanders	28	38	12	68	229	235
NORTHEAST DIVISION						
x-Buffalo	39	27	12	90	227	194
x-Pittsburgh	37	33	8	82	274	264
Montreal	29	35	14	72	239	268
Hartford	30	37	11	71	211	242
Ottawa	28	36	15	71	217	228
Boston	25	44	9	59	225	287

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
z-Dallas	47	24	7	101	244	167
x-Detroit	37	34	17	91	244	186
x-Phoenix	37	36	6	80	228	233
St. Louis	33	35	11	77	227	237
Chicago	32	34	13	77	211	204
Toronto	29	42	8	66	223	264
PACIFIC DIVISION						
z-Colorado	48	22	9	105	272	196
x-Anaheim	34	33	13	81	237	229
x-Edmonton	36	35	8	80	243	233
Calgary	32	38	9	73	206	225
Vancouver	32	40	7	71	243	263
Los Angeles	26	42	11	63	205	261
San Jose	26	44	8	60	201	266

z-clinched division title
x-clinched playoff berth

SUNDAY'S RESULTS

Ottawa 1 0 0—1
Philadelphia 1 1 0—2

First period—1, P-Klatt 21 (Therien) (sh). 2, O-Zhitnik 12 (Dackell) Second period—3, P-Falloon 10 (Prospal, Brind'Amour) Third Period: None. Shots on goal: O- 10-4-5—19. P- 6-9-7—22. Goalies: O-Tugnutt. P-Hextall.

Florida 0 2 1 0—3
Washington 1 1 1 0—3

First Period: W-Johansson 5 (Thorndl) Second Period: F-Gerpenlov (Nedomansky, Mellanby), 3. F-Lowry 13 (Washburn, Sheppard) 4. W-Hunter 13 (Cote, Nikolishin) (pp). Third Period: F-Hough 8 (Murphy, Warriner) 6. W-Bondra 44 (Hunter, Miller) Overtime: None. Shots on goal: F- 8-11-4-0—23. W- 13-11-8-3—35. Goalies: F-Fitzpatrick. W-Ranford.

Chicago 1 0 1—2
Calgary 0 1 0—1

First Period: C-Moreau 15 (Chelios, Carney) Second Period: C-McInnis 23 (Tikkr, Fleury) Third Period: C-Chelios 10 (Craven) Shots on goal: C- 6-12-6—24. C- 19-8-7—34. Goalies: C-Hackett. C-Kidd.

New Jersey 0 0 2—2
St. Louis 0 0 0—0

First Period: None. Second Period: None. Third Period: N.J.-Pandolfo 4 (Pedersen, McKay) 2. N.J.-McLean 26 (Zelepukin, Niedermayer) (en). Shots on goal: N.J.- 5-5-10—20. S.L.- 7-11-7—25. Goalies: N.J.- Denhom. S.L.-Fuhr.

Phoenix 0 0 1—1
Colorado 1 1 0—2

First Period: C-Yelle 9 (Keane, Ricci) Second Period: C-Sakic 22 (Kamensky, Forsberg) (pp). Third Period: P-Tkachuk 50 (Roenick, Janney) Shots on goal: P- 9-5-11—25. C- 12-14-12—38. Goalies: P-Khabibulin. C-Roy.

CYCLING

Tour of Flanders

Leading finishers Sunday of the 161-mile Tour of Flanders cycling classic, the second event in the 1997 World Cup: 1. Rolf Sorensen, Denmark, 6 hours 00.40 minutes; 2, Frederic Marcassin, France, 5 seconds behind; 3, Franco Ballerini, Italy, s.t.; 4, Andrei Tchmil, Ukraine, :17; 5, Davide Cassarotto, Italy, s.t.; 6, Claudio Chiappucci, Italy, s.t.; 7 Michele Bartoli, Italy, s.t.; 8, Peter Van Petegem, Belgium, s.t.; 9, Jo Planckaert, Belgium, s.t.; 10, Vladislav Ekimov, Russia, s.t.

CRICKET

ICC TROPHY SEMIFINAL
KENYA VS. IRELAND
MONDAY, IN KUALA LUMPUR
Kenya innings: 215-8 (50 overs)
Ireland innings: 208-9 (50 overs)
Result: Kenya won by seven runs

SHARJAH CUP
SRI LANKA VS. PAKISTAN
MONDAY, IN SHARJAH, UAE
Sri Lanka innings: 251-7 (50 overs)
Pakistan innings: 200 all out (45.4 overs)
Result: Sri Lanka won by 51 runs

GOLF

Freeport-McDermott Classic

Leading final scores Sunday of the $1.5 million Freeport-McDermott Classic, played on the 7,116-yard, par-72 English Turn Golf & Country Club course in New Orleans:

Brad Faxon	68-69-66-69—272
Bill Glasson	71-72-66-66—275
Jesper Parnevik	72-69-68-66—275
Kirk Triplett	72-68-64-72—276
Scott McCarron	65-69-71-71—276
Russ Cochran	70-71-67-69—277

SOCCER

ITALIAN FIRST DIVISION

Milan 1, Juventus 6

STANDINGS: Juventus 52 points; Parma 46; Inter 42, Bologna 42; Sampdoria 40, Lazio 40; Roma 36, Milan 36; Fiorentina 35, Vicenza 35, Atalanta 35, Udinese 35; Napoli 33; Piacenza 27, Perugia 27; Cagliari 26; Verona 19; Reggiana 18.

FRENCH FIRST DIVISION

Guingamp 1, Caen 1
Lens 1, Bastia 1

STANDINGS: Monaco 68 points; Paris St Germain 56; Nantes 53, Bastia 53, Strasbourg 53; Bordeaux 51; Auxerre 49, Lyon 49; Metz 47; Guingamp 44; Montpellier 42; Marseille 41; Cannes 36; Le Havre 35, Rennes 35, Lens 35; Lille 33; Caen 29, Nancy 29; Nice 20.

ENGLISH PREMIER LEAGUE

Liverpool 1, Coventry 2

STANDINGS: Manchester United 63 points; Arsenal 60, Liverpool 60; Newcastle 53, Aston Villa 53; Chelsea 49, Sheffield Wednesday 49; Wimbledon 46; Tottenham 42; Leeds 41; Leicester 39; Derby 38; Blackburn 36, Everton 36; Sunderland 34; West Ham 33, Coventry 33; Middlesbrough 32; Nottingham Forest 31; Southampton 30.

SPANISH FIRST DIVISION

Deportivo Coruna 1, Zaragoza 0

STANDINGS: Real Madrid 72 points; Barcelona, 66; Real Betis 64; Deportivo Coruna 63; Atletico Madrid 55; Athletic Bilbao 48, Valladolid 48; Real Sociedad 47; Tenerife 44; Valencia 43; Racing Santander 42; Celta Vigo 39; Oviedo 38; Compostela 36; Sporting Gijon 35, Extremadura 35; Espanyol 34; Zaragoza 33, Rayo Vallecano 33; Hercules 28, Logrones 28; Sevilla 26.

GERMAN BUNDESLIGA

SC Freiburg 1, VfB Stuttgart 1

STANDINGS: Bayern Munich 55 points; Borussia Dortmund 52; Bayer Leverkusen 51; VfB Stuttgart 48; Karlsruher SC 38, 1860 Munich 38, Schalke 04 38; VfL Bochum 37; Werder Bremen 35; FC Cologne 34; Moenchengladbach 32, MSV Duisburg 32; Hamburger SV 30, Arminia Bielefeld 30; Fortuna Duesseldorf 28; Hansa Rostock 27; FC St. Pauli 23; SC Freiburg 15.

MAJOR LEAGUE SOCCER

D.C. 2, New York-New Jersey 1
Kansas City 3, Los Angeles 2
Colorado 2, Columbus 0
Dallas 2, San Jose 1
Tampa Bay 4, New England 0

WORLD CUP QUALIFYING

Canada 0, El Salvador 0
Indonesia 8, Cambodia
Kenya 4, Burkina Faso 3
Liberia 1, Egypt 0
Namibia 1, Tunisia 2
Angola 3, Togo 1
Morocco 4, Gabon 0

TENNIS

Davis Cup

WORLD GROUP QUARTERFINALS
IN ADELAIDE, AUSTRALIA
SINGLES

Pat Rafter, Australia, def. Martin Damm, Czech Republic, 6-1, 7-6 (9-7), 4-6, 6-4; Mark Philippoussis, Australia, def. David Rikl, Czech Republic, 6-1, 6-4, 2-6, 6-4.

DOUBLES

Todd Woodbridge and Mark Woodforde, Australia, def. Martin Damm and David Rikl, Czech Republic, 4-6, 6-1, 7-5, 6-4.

REVERSE SINGLES

Mark Philippoussis, Australia, def. Martin Damm, Czech Republic, 6-4, 6-2;
Pat Rafter, Australia, def. David Rikl, Czech Republic, 7-6 (15-13), 0-6, 6-2.
Australia def. Czech Republic 5-0

IN PESARO, ITALY
REVERSE SINGLES

Carlos Moya, Spain, def. Mazzio Martelli, Italy, 7-6 (7-5), 4-6, 6-3;
Omar Camporese, Italy, def. Albert Costa, Spain, 6-2, 3-6, 6-4.
Italy def. Spain 4-1

IN NEWPORT BEACH, CA
REVERSE SINGLES

Andre Agassi, United States, def. Jan Siemerink, Netherlands, 3-6, 7-6, 6-3, 6-3; 6-3; Jonathan Stark, United States, def. Sjeng Schalken, Netherlands, 6-4, 6-0.
United States def. Netherlands 4-1

EURO-AFRICAN ZONE
SECOND ROUND
GROUP 1

Belgium 3, Denmark 2
Slovakia 3, Israel 1
Austria 3, Croatia 2
Zimbabwe 4, Britain 1

ASIA-OCEANIA ZONE
SECOND ROUND
GROUP 1

New Zealand 5, Indonesia 0
South Korea 4, China 1
GROUP 2
Pakistan 5, Singapore 0
Iran 4, Taiwan 1
Lebanon 5, Thailand 0
PLAYOFF
Hong Kong 4, Saudi Arabia 1

AMERICAN ZONE
SECOND ROUND
GROUP 1

Chile 3, Argentina 2
Canada 5, Venezuela 0
GROUP 2
Colombia 5, Peru 0
Uruguay 3, Paraguay 2
PLAYOFF
Cuba 4, Puerto Rico 1
Haiti 3, El Salvador 2

FAMILY CIRCLE CUP
SUNDAY, IN HILTON HEAD, S.C.
FINAL

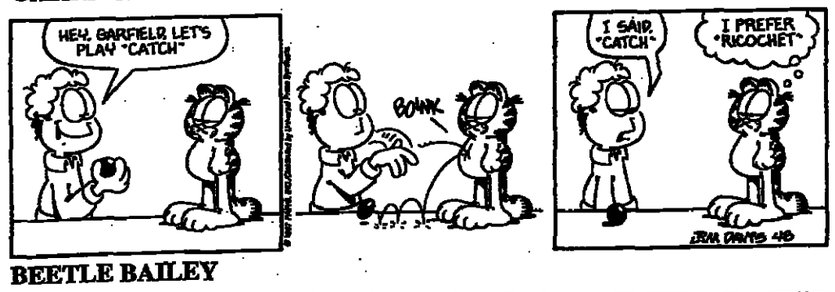
Martina Hingis (1), Switzerland, def. Monica Seles (4), U.S., 3-6 6-3 7-6 (7-5).

DENNIS THE MENACE

PEANUTS

CALVIN AND HOBBES

GARFIELD



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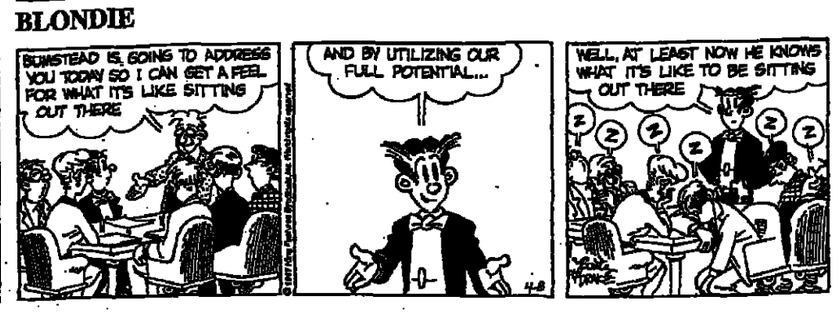

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ART BUCHWALD

Isolated on the Net

WASHINGTON — The New York Times says more and more students are being isolated from the real world by computers.

Instead of our young scholars communicating with each other by voice, they are doing it via e-mail, through the Internet and satellite networking. The report indicated that a great deal of the school spirit was being lost to the computer.

Buchwald

It isn't just schools that are losing the fight for human contact. I've seen it happening in newspaper editorial offices. Years ago the staff of a newspaper was one big happy family. We mingled with each other, we exchanged gossip and we swapped ideas. All of this stimulated creativity, and we showed each other our copy as we tore it out of the typewriter.

Everyone knew everybody else's business. We used each other's ashtrays, drank coffee from look-alike cups and read each other's press releases. It was such an intoxicating atmosphere that no one ever wanted to go home.

Then came the computer and the lights went out — rooms were darkened to make it easier for people to read the material on their screens. Instead of staff members walking up and down the newsroom exchanging rumors, they were locked in their little cubicles oblivious to the outside world. Editors who used to discuss stories with their reporters now sent corrections on the screen.

□

Occasionally I peeked into a cubicle where I saw the back of someone's head. My concern was that he might be dead instead of writing a story.

"Hey, are you O.K.?"

Instead of replying directly, he handed me a piece of paper that said, "I'll let you know if you hit "www.ff.-sick.' "

Doug Wilhite had a thing for Sarah Haverty on the city desk. She sat just behind him. Doug typed a note to Sarah.

"Will you have dinner with me?"

She typed back, "Maybe."

"What do you say we have Chinese?"

"I have to check with Sanda Lujic. I was supposed to have dinner with her and Pat Tomak tonight."

Doug wrote, "I'll take a drive on the information highway and get back to you."

"Doug, I just talked to Sanda and I'm free."

"Good. I'll fax a takeout order to the Shanghai Palace."

"You mean we're not going out for dinner?"

"We can eat at my desk. That way I can finish my story on Pierre Salinger."

"What are you writing about him?"

"How the Internet did him in."

German Networks Open News Channel

Reuters

COLOGNE — Germany's public TV networks launched the Phoenix information channel on Monday.

Phoenix blends CNN-style coverage of breaking news with live broadcasts of events such as parliamentary debates in European capitals modeled after the C-SPAN channel in the United States.

True Success: Another Hit With 'Liar Liar'

By James Ryan
New York Times Service

LOS ANGELES — In hindsight, the risks seem justifiable. But the producer Brian Grazer remembers feeling a little nervous and out of control more than a few times during the making of Jim Carrey's new comedy hit, "Liar Liar."

Take the day a couple of weeks before filming began, when Carrey and his handpicked director, Tom Shadyac, asked permission to change the ending from a freeway chase to an airport chase. "Jim saw it in a dream, and then Shadyac ratified it," Grazer recalled, with a groan that resonated all the way to his checkbook. "O.K., that's an extra $2 million. If it's just the star, you can usually talk them out of it. But when the director falls in — let's rent part of LAX and chase the airplane down the runway on a set of stairs — forget it."

There is no arguing with success, of course. "Liar Liar," the story of a prevaricating lawyer whose son's birthday wish transforms him into a compulsive truth teller, took in nearly $70 million at the box office through its first 10 days, and has since topped the magic $100 million mark.

Following Carrey's career-making "Ace Ventura: Pet Detective" in 1994 and Eddie Murphy's career-reviving "Nutty Professor" of last summer, "Liar Liar" will be Shadyac's third straight comedy hit, earning him a reputation as a comedian's director capable of bringing out the best in volatile, highly improvisational stars. His next assignment will be working with Robin Williams on "Patch Adams," the story of a doctor who uses humor to cure patients.

Frank Capra he is not. Shadyac is the first to admit that not everyone will like the broad humor of his first two films, which are laced with much sophomoric sexual innuendo and many scatalogical references and bodily functions.

His formula for success is simple, Shadyac said, isolate what a comedian does best, and showcase it. "If you can cast another person in the role, you haven't tailored the movie right. If you could walk Jim Carrey out and substitute Tom Hanks or Robin Williams and they could do it just as well, you haven't done your job properly."

Grazer, the producer, said Shadyac did just that with Carrey, leading him to hire the director for "The Nutty Professor." "When I saw 'Ace Ventura,' I recognized that Tom was the architect figuring out the best plan to tap Jim Carrey's genius."

Melinda Sue Gordon/Universal

Director Tom Shadyac (right) with Jim Carrey on the set of "Liar Liar."

But just as important, perhaps, Shadyac has a talent for managing the high energy of improvisational comics like Carrey.

"Jim is so intense, so powerful, so committed, it's almost like being around this radioactive machine that's about to explode," said the actress Swoosie Kurtz, who plays Carrey's courtroom adversary in "Liar Liar." "Tom is very sensitive to his timing and energy, but he's also firm. He can say, 'No, Jim, we've got it.' I don't think very many directors could handle him."

With "Liar Liar," Shadyac and Carrey agreed that they wanted to show off a kinder, gentler, more mature side of the comedian's talents while holding on to his following of adolescent filmgoers.

The trick was to channel the actor's manic energy into a fresh performance. A 38-year-old former stand-up comic himself, the director seems to have an intuitive understanding of how best to showcase a comic's talent on screen. Shadyac agrees that with Carrey it's often a matter of containing rather than urging him on. "Jim is like this churning, tempestuous sea," he said. "I feel like the funnel for that."

The director, who comes from a large, close-knit Lebanese family in Falls Church, Virginia, said that he and Carrey had also become friends off screen, Shadyac taking on the role of big brother helping Carrey cope with his startling success.

Before Shadyac's involvement, several other directors attached to "Ace Ventura" had refused even to consider Carrey for the role. "There was this perception that he was just a TV guy," Shadyac said. (A cast member of "In Living Color" on the Fox Network, Carrey had failed to shine in several lesser film roles in the '80s, including "Peggy Sue Got Married" and "Earth Girls Are Easy.")

But Shadyac, during his own years as a comic, had seen Carrey's stand-up routine at the Improv. "I thought if anyone could tap into that, they could hit a home run," he said.

Once "Ace Ventura" was completed, nobody was quite sure what they had on their hands.

The first screening for Morgan Creek Productions executives fell "flat as a pancake," Shadyac said. "There was, I think, one laugh," he added. "We were scared. Jim and I didn't sleep for a couple of weeks. We potentially had a bomb that would stink so much, reincarnation becomes your only hope for revitalizing your career."

Test screenings with the teenage target audience fared better. And the movie became a sizable hit, beginning Carrey's meteoric rise.

What makes Shadyac's back-to-back-to-back successes more unusual is that he didn't even know he wanted to be a director until eight years ago. The son of a lawyer and a homemaker, Shadyac, who lives in Beverly Hills, landed his first job after graduating from the University of Virginia writing jokes for Bob Hope. Stand-up and screenwriting followed.

Then, at the age of 29, after watching a program of student short films, he decided to enroll in the graduate film program at the University of California, Los Angeles.

"Nothing had really clicked for me," he said, until the first day of shooting on his own short. As he crouched out of the camera's range under a sink in a UCLA restroom, it came to him: "Oh, my God, this is what I'm going to do for the rest of my life."

That film, "Tom, Dick and Harry," about a bridegroom-to-be, landed him an agent and eventually led to an assignment to rewrite and direct a Fox television movie "Frankenstein: The College Years."

Shadyac, of course, isn't the only director to tap Carrey's abilities successfully. The elastic comedian found success with the live-action cartoon "The Mask" in 1994, directed by Charles Russell, and shined as the Riddler in Joel Schumacher's "Batman Forever."

But Carrey's most recent film, "The Cable Guy," directed by Ben Stiller and released last year, was a box-office disappointment, in part, many critics said, because of its dark tone and inability to capitalize on the comedian's strengths.

" 'Cable Guy' had come and gone by the time we started shooting," Shadyac said.

"It made me personally want to be strong with Jim and make sure we brought out the guy with the smile. Jim can remember that ever since a kid if he walked into the room and didn't have a smile on his face people would say, 'What's wrong with Jim?' "

" 'Cable Guy,' " Shadyac said, "didn't have the smile."

PEOPLE

Neil Munns/AP

Elton John in his mile-high wig.

WITH not even their parents watching, **Liam Gallagher**, star of the rock band **Oasis**, and the actress **Patsy Kensit** married secretly Monday in a civil ceremony, his record company said. The wedding — his first and her third — followed a false start on Feb. 10, when they canceled their wedding because of what they called "obsessive and intrusive" media. "It was totally, totally private with just them and the registrar," said **Johnny Hopkins**, spokesman for Creation Records, announcing that the couple had married at London's Westminster Registry Office. "They don't want a party because it will be turned into a media circus." Kensit's second wedding, to **Jim Kerr** of the group **Simple Minds**, in 1992, turned into a near riot when photographers clashed with bodyguards and guests outside the registry office.

□

The poet **Allen Ginsberg** was remembered Monday by several hundred mourners — among them the punk poet **Patti Smith** and Ginsberg's longtime companion **Peter Orlovsky** — sitting shoeless on the floor of a Buddhist meditation center before a shrine of candles, fruit and flowers. The poet, who died Saturday at age 70, was a practicing Buddhist. Ginsberg's body lay in a coffin draped with a yellow, red and white silk flag bearing the image of the sun. The memorial service was held at the Shambhala Meditation Center on the sixth floor of a New York City office building.

□

Elton John's 50th birthday costume party caused chaos with its long lines of limousines and other VIP cars as the area near one of west London's busiest intersections became gridlocked. The Rocket Man stunned spectators outside London's Hammersmith Palais when he arrived in the back of a white garbage truck, whose interior had been decked out with gilt mirrors and rich red wallpaper to look like a Restoration drawing room. Hundreds of fans shrieked as John, wearing a towering silver-white wig, was gently lowered to the sidewalk.

□

The Spanish Nobel laureate **Camilo Jose Cela** predicts that in 2,000 years the world's population will use four languages — Arabic, Spanish, English and Chinese — while the others survive only as regional dialects or in love poetry. Cela is in Mexico this week for the First International Congress on the Spanish Language.

□

Princess Diana is getting richer, while her former mother-in-law, **Queen Elizabeth II**, is not. The Sunday Times doesn't even include **Prince Charles**, Diana's ex, on its annual list of Britain's richest 1,000 people. To get on the list at all, you need about £15 million ($24 million), and Diana just made it — debuting at No. 916. **Philip Beresford**, who compiles the list from media reports, company accounts, trust funds and other documents, based Diana's estimate on the lower end of her divorce settlement last year, reportedly $25 million to $33 million. The queen dropped to $400 million from $656 million.

□

A German photographer hoping to get hundreds of Berliners to pose naked in front of the city's Brandenburg Gate had to settle for a more modest project when only two volunteers appeared. **Manfred Schonlau**, who was detained and fined by police in Cologne recently when he attempted a similar project in front of the cathedral there, photographed a man and a woman wearing only fig leaves, while the police concentrated on keeping some 300 spectators from blocking traffic.

Doug Mills/The Associated Press

GETTING TO THE INN ON TIME — The NBC correspondent Andrea Mitchell and Alan Greenspan, the Federal Reserve chairman, arriving at The Inn in Little Washington, Virginia, before their wedding.

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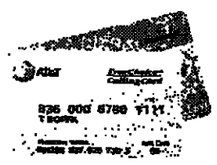

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